

4009. By the SPEAKER: Petition of St. Patrick's Holy Name Committee, Washington, D. C.; to the Committee on Foreign Affairs.

4010. Also, petition of the Farmers Union of Solon, N. Dak.; to the Committee on Agriculture.

4011. Also, petition of the city of Peru, Ill.; to the Committee on the Judiciary.

4012. Also, petition of the Patriotic Sons of America, State Camp of Pennsylvania; to the Committee on the Judiciary.

4013. Also, petition of the city of Portland, Oreg.; to the Committee on Interstate and Foreign Commerce.

4014. Also, petition of the Surety National Farm Loan Association, Dodge, Nebr.; to the Committee on Agriculture.

SENATE

FRIDAY, MARCH 15, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 14, 1935, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. McGill, one of its clerks, announced that the House had concurred in the concurrent resolution (S. Con. Res. 5), as follows:

Resolved by the Senate (the House of Representatives concurring). That there be printed with illustrations and bound, in such form and style as may be directed by the Joint Committee on Printing, 2,200 copies of the proceedings in Congress together with the proceedings at the unveiling in the rotunda of the Capitol, and such other matter as may be relevant thereto, upon the acceptance of the statutes of Caesar Rodney and John M. Clayton, presented by the State of Delaware, of which 200 shall be for the use of the Senate, and 500 for the use of the House of Representatives, and the remaining 1,500 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Delaware.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahay	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce that the junior Senator from Arkansas [Mrs. CARAWAY] and the junior Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is absent because of illness. I ask that this announcement stand for the day.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 28)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting three supplemental estimates of appropriations for the Treasury Department, fiscal year 1935, amounting to \$201,287, together with a draft of proposed provision pertaining to existing appropriations, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, BUREAU OF BIOLOGICAL SURVEY (S. DOC. NO. 29)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation, fiscal year 1935, for the Department of Agriculture, Bureau of Biological Survey, amounting to \$15,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 31)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia for the fiscal years 1935 and 1936, in the total amount of \$35,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

APPROPRIATIONS FOR CERTAIN DEPARTMENTS, ETC. (S. DOC. NO. 32)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting drafts of proposed legislation pertaining to appropriations for the National Advisory Committee for Aeronautics, Tariff Commission, Treasury Department, War Department, and the Navy Department, fiscal year 1935, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

APPROPRIATIONS FOR FEDERAL POWER AND FEDERAL COMMUNICATIONS COMMISSIONS (S. DOC. NO. 30)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Power Commission, fiscal year 1935, amounting to \$25,000, together with draft of proposed legislation pertaining to an existing appropriation for the Federal Communications Commission, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF THE NEAR EAST RELIEF

The VICE PRESIDENT laid before the Senate a letter from the executive secretary of the Near East Relief, transmitting, pursuant to law, the report of the Near East Relief for the year ended December 31, 1934, which, with the accompanying report, was referred to the Committee on Printing.

PUERTO RICAN SUGAR PRODUCERS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, in response to Senate Resolution 95 (submitted by Mr. VANDENBERG and agreed to on Mar. 6, 1935), calling upon the Secretary of the Interior for certain information respecting Puerto Rican sugar activities, which was ordered to lie on the table and to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 14, 1935.

Col. EDWIN A. HALSEY,
Secretary of the Senate,
Washington, D. C.

MY DEAR COLONEL HALSEY: Senate Resolution 95 asks that the Secretary of the Interior be requested "to inform the Senate (a) regarding contemplated plans for new loans, grants, or subsidies

to sugar producers in Puerto Rico; (b) regarding any pending proposals for supporting sugar production in Puerto Rico with public money drawn either from the sugar processing tax or from the Public Works Administration or from any new instrumentality which may be created under the so-called "work-relief bill."

In regard to (a), this is a matter under the jurisdiction of the Secretary of Agriculture, and the inquiry should be referred to him.

As for (b), there are no proposals pending in this Department for supporting sugar production in Puerto Rico with public money drawn from any source whatever.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

PUERTO RICAN EMERGENCY RELIEF ADMINISTRATION

The VICE PRESIDENT laid before the Senate a cablegram from the speaker of the House of Representatives of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

SAN JUAN, P. R., March 14, 1935.

HON. JOHN N. GARNER,

President United States Senate, Washington, D. C.:

The House of Representatives of Puerto Rico resolved to request the Senate of the United States to direct the proper officials to make an investigation of the activities of the Puerto Rican Emergency Relief Administration (P. R. E. R. A.) in Puerto Rico, as it is understood that the system of direct food distribution (Mantengo) so far followed tends to destroy love for work and self-reliance, and likewise because said administration of the Puerto Rican Emergency Relief Administration (P. R. E. R. A.) in Puerto Rico is trying to ignore the government of the country constituted under the organic act.

MIGUEL A. GARCIA MENDEZ,
Speaker of House of Representatives of Puerto Rico.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolutions of the Senate of the State of Massachusetts, which were ordered to lie on the table:

Resolutions memorializing the Senate of the United States in favor of the so-called "administration's emergency-relief bill" and certain amendments thereto

Whereas there is pending before the Senate of the United States a measure known as the "administration's emergency-relief bill", printed as House Joint Resolution 117, with an amendment reported by the Senate Appropriations Committee, and an amendment known as the "Hayden highway amendment"; and

Whereas said amendments are necessary to safeguard the interests and benefits accruing to the Commonwealth under the provisions of said bill: Therefore be it

Resolved, That the Senate of the United States be respectfully requested by the Senate of Massachusetts to act favorably upon said amendments; and be it further

Resolved, That copies of these resolutions be transmitted by the secretary of the Commonwealth to the Presiding Officer of the United States Senate and to both of the Senators in Congress from this Commonwealth.

In Senate, adopted, March 11, 1935.

A true copy. Attest:

[SEAL]

IRVING N. HAYDEN, Clerk.

F. W. COOK,
Secretary of the Commonwealth.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Public Lands and Surveys:

A concurrent resolution memorializing the President and Congress of the United States to establish a national memorial park in Murray County, to consist of the area embraced by the geological formations known as "White Mound" and "Burning Mountain"

Whereas adjacent to the Platt National Park in Murray County, Okla., lie two unusual geological formations known as "White Mound" and "Burning Mountain"; and

Whereas these geological formations are internationally renowned for their scientific value to geologists and are constantly the object of investigation and observation of geologists; and

Whereas these structures should be preserved to the people of the State of Oklahoma and of the United States for their value as a source of geological information: Now, therefore, be it

Resolved by the House of Representatives of the Fifteenth Legislature of the State of Oklahoma (the senate concurring therein), That the President and Congress of the United States be memorialized by the people and Legislature of Oklahoma to establish a national park, to constitute the area embraced by the geological formations commonly known as "White Mound" and "Burning Mountain", near the Platt National Park in Murray County, Okla.; be it further

Resolved, That copies of this resolution be mailed by the chief clerk of the house of representatives to the President of the

United States and to the Chief Clerk of both the House of Representatives and the Senate of the United States Congress; to each member of the Oklahoma delegation in Congress; to the Secretary of the Department of the Interior; to the Director of National Parks, Buildings, and Reservations; and to the Chief of the Historical Division of the Department of the Interior.

The VICE PRESIDENT also laid before the Senate the petition of William D. Johnson, of Dogue, Va., praying for the enactment of old-age-pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Townsend Club, No. 39, of San Diego, Calif., favoring the prompt adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by Golden Hill Townsend Club, No. 53, of San Diego, Calif., favoring the prompt adoption of the so-called "Townsend old-age-pension plan", which were referred to the Committee on Finance.

He also laid before the Senate a letter from George A. Elfert, of Labadieville, La., an ex-service man, relative to his relief case, which, with the accompanying papers, was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Barnum Branch of Unemployment Councils, of Denver, Colo., favoring the enactment of House bill 2827, known as the "Workers' Unemployment, Old Age, and Social Insurance Act", which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Omega Psi Phi Fraternity, favoring the enactment of the so-called "Costigan-Wagner antilynching bill", which was referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the Roosevelt League for the Advancement of Social Justice, Cleveland, Ohio, favoring the passage of the bill (H. R. 4688) to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes, which were referred to the Committee on Public Buildings and Grounds.

He also laid before the Senate resolutions adopted by the Common Councils of the cities of Bristol, Conn., Keokuk, Iowa, and Akron, Ohio, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. BARBOUR presented resolutions adopted by the Board of Chosen Freeholders of Camden County, N. J., favoring the passage of House bill 2827, known as "the Workers' Unemployment, Old-Age, and Social Insurance Act", which were referred to the Committee on Finance.

Mr. WALSH presented a resolution adopted by the Milford (Mass.) Victor Emanuel Lodge, No. 1356, Order of Sons of Italy in America, favoring inclusion in pending old-age-pension legislation of a clause whereby aliens who have resided in the United States for a period of 10 years or more may be eligible for old-age pension, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from I. Blair Evans, Esq., Washington, D. C., praying for repeal of section 55 (b) of the Revenue Act of 1934, relating to publicity of income-tax returns, which, with the accompanying paper, was ordered to lie on the table.

He also presented a letter in the nature of a petition from the Providence Building Trades Council, of Providence, R. I., praying for inclusion in House Joint Resolution 117, making appropriations for relief purposes, of the so-called "McCaran prevailing-wage amendment", which was ordered to lie on the table.

Mr. REYNOLDS presented a joint resolution of the Legislature of the State of North Carolina, relating to the relief of Hyde County, N. C., by reason of its loss in taxable valuation by the purchase and acquirement of certain lands in that county by the Federal Government, which was referred to the Committee on Public Lands and Surveys.

(See joint resolution printed in full when laid before the Senate by the Vice President on the 14th instant, p. 3589, CONGRESSIONAL RECORD.)

Mr. NORRIS presented a resolution of the House of Representatives of the State of Nebraska, memorializing Congress to enact an antilynching law, which was referred to the Committee on the Judiciary.

(See resolution printed in full when laid before the Senate by the Vice President on the 14th instant, p. 3588, CONGRESSIONAL RECORD.)

Mr. NORRIS also presented a resolution of the House of Representatives of the State of Nebraska, relative to the bushel-for-bushel seed-loan plan, and urging overdue benefit payments of wheat and corn-hog contracts for 1934, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when laid before the Senate by the Vice President on the 14th instant, p. 3588, CONGRESSIONAL RECORD.)

Mr. NORBECK presented a resolution adopted by the City Council of Watertown, S. Dak., protesting against the enactment of revenue laws which may be interpreted as imposing obligations upon States, their agencies, political subdivisions, or districts, which was referred to the Committee on Finance.

Mr. NORBECK also presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Finance:

A concurrent resolution memorializing the Congress of the United States of America to discontinue a sales tax on gasoline

Be it resolved by the House of Representatives of the Twenty-fourth Legislative Session of the State of South Dakota (the senate concurring):—

Whereas Congress threatens to continue in force a recently imposed 1 cent per gallon tax on gasoline despite the fact that every State in the Union now imposes a sales tax on gasoline averaging in excess of 4 cents per gallon and has the administrative machinery for the collection of such tax in successful operation; and

Whereas such taxes are now entirely out of proportion to sales taxes on other commodities and much more readily administered by States than would a sales tax on other commodities; and

Whereas there are many fields of taxation which can be more equitably and more successfully administered by the Federal Government than by the individual States, particularly on account of the constitutional prohibition preventing States from interfering with interstate commerce; and

Whereas such tax is a revenue measure peculiarly adapted for the individual States and their administrative machinery and well established in every State in the Union: Therefore be it

Resolved, That the Congress of the United States should discontinue the recently imposed 1 cent per gallon Federal sales tax on gasoline and thus leave that field of revenue entirely to the individual States; be it further

Resolved, That certified copies of this resolution be presented to each Senator and Representative of the State of South Dakota in the Congress of the United States, to be by them presented to the proper committee in Congress determining such legislation.

Mr. NORBECK also presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Military Affairs:

A concurrent resolution memorializing Congress to conscript capital by draft and to take over and operate arms and munitions plants in time of war

Be it resolved by the Senate of South Dakota (the house of representatives concurring):—

SECTION 1. That we hereby memorialize and request Congress to enact laws providing that in time of war capital be conscripted by draft as well as men, and that as a step toward the ending of war and war propaganda all arms and munitions plants be taken over by the Government and operated as Government institutions.

SEC. 2. *Be it further resolved*, That a copy of this resolution be spread upon the Journal of the Senate, and that a copy thereof be forwarded to each of the Senators and Representatives from the State of South Dakota in the Congress of the United States.

ROBERT PETERSON,
President of the Senate.
W. J. MATSON,
Secretary of the Senate.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2024) to give proper recognition to the distinguished services of Col. William L. Keller, reported it with an amendment and submitted a report (No. 333) thereon.

Mr. O'MAHONEY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 997) to provide for the acquisition by the United States of Red Hill,

the estate of Patrick Henry, reported it with amendments and submitted a report (No. 334) thereon.

DECLINE IN THE PRICE OF COTTON

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the resolution (S. Res. 103) to investigate the cause of the decline in cotton prices on March 11, 1935, reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 2260) for the relief of Charles C. Williams; to the Committee on Military Affairs.

By Mr. BONE:

A bill (S. 2261) for the relief of Ludwig Rose; to the Committee on Claims.

By Mr. SHIPSTEAD and Mr. LA FOLLETTE:

A bill (S. 2262) authorizing the Highway Commission of the State of Wisconsin and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the St. Croix River at or near the city of Hudson, Wis.; to the Committee on Commerce.

By Mr. BARKLEY:

A bill (S. 2263) granting a pension to Lucretia Woods; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2264) for the relief of Earl J. Thomas; to the Committee on Finance.

A bill (S. 2265) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War; to the Committee on Military Affairs.

By Mr. BARBOUR:

A bill (S. 2266) for the relief of Philip W. Kerley; to the Committee on Naval Affairs.

By Mr. PITTMAN:

A bill (S. 2267) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to orders of State administrative boards; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 2268) for the relief of Bausch & Lomb Optical Co.; to the Committee on Claims.

A bill (S. 2269) granting a pension to Charles Stein; to the Committee on Pensions.

By Mr. METCALF:

A joint resolution (S. J. Res. 85) authorizing the erection of a memorial to the late Jean Jules Jusserand; to the Committee on the Library.

PROCESSING TAX ON JUTE BAGS—AMENDMENT

Mr. POPE submitted an amendment intended to be proposed by him to the bill (S. 2020) to refund the compensatory processing tax on jute bags, which was referred to the Committee on Finance and ordered to be printed.

COSTS OF PRODUCTION OF COTTON MANUFACTURES

Mr. METCALF submitted the following resolution (S. Res. 104), which was referred to the Committee on Finance:

Resolved, That the United States Tariff Commission is directed, under the authority conferred by section 336 of the Tariff Act of 1930, and for the purposes of that section, to investigate the differences in the costs of production of the following domestic article and of any like or similar foreign articles: Cotton manufactures, included in paragraphs 903 and 904 of such act.

GRANTS OR SUBSIDIES TO PUERTO RICAN SUGAR PRODUCERS

Mr. VANDENBERG submitted the following resolution (S. Res. 105), which was ordered to lie over under the rule:

Resolved, That the Secretary of Agriculture is requested to inform the Senate regarding contemplated plans, if any, for new

loans, grants, or subsidies to sugar producers in Puerto Rico or for supporting sugar production in Puerto Rico with public money drawn from the sugar processing tax or any other source.

MOTHER'S DAY

Mr. COPELAND submitted the following resolution (S. Res. 106), which was referred to the Committee on Education and Labor:

Whereas by House Joint Resolution 263, approved and signed by President Wilson, May 8, 1914, the second Sunday in May of each year has been designated as Mother's Day for the expression of our love and reverence for the mothers of our country; and

Whereas there are throughout our land today an unprecedentedly large number of mothers and dependent children who, because of unemployment or loss of their bread earners, are lacking many of the necessities of life: Therefore be it

Resolved, That the President of the United States is hereby authorized and requested to issue a proclamation calling upon our citizens to express on Mother's Day this year our love and reverence for motherhood;

(a) By the customary display of the United States flag on all Government buildings, homes, and other suitable places;

(b) By the usual tokens and messages of affection to our mothers; and

(c) By making contributions, in honor of our mothers, through our churches or other fraternal and welfare agencies, for the relief and welfare of such mothers and children as may be in need of the necessities of life.

REPORT OF INVESTIGATION OF HOWARD UNIVERSITY

Mr. HASTINGS. Mr. President, I offer a resolution and ask unanimous consent for its immediate consideration. I have submitted it to the majority leader, and he has no objection to it.

The VICE PRESIDENT. The resolution will be stated.

The Chief Clerk read the resolution (S. Res. 107), as follows:

Resolved, That the Secretary of the Interior be, and he is hereby, requested to send to the Senate a copy of the report of his investigation made during the latter part of 1934 of alleged irregularities at the Howard University, located in the city of Washington.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution offered by the Senator from Delaware?

Mr. CLARK. What is the request? On account of the confusion in the Chamber it was impossible to hear it.

The VICE PRESIDENT. The clerk will again state the resolution.

The Chief Clerk again read the resolution.

Mr. CLARK. What is the request, Mr. President?

Mr. HASTINGS. The resolution merely seeks information obtained as the result of the investigation referred to in the resolution.

Mr. CLARK. I ask that the resolution go over under the rule.

The VICE PRESIDENT. The resolution will go over under the rule.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief purposes.

The VICE PRESIDENT. Under the unanimous-consent agreement entered into yesterday the question is on the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee.

Mr. WAGNER. Mr. President, I wish to make a brief statement explanatory of my vote upon the pending question.

For several weeks the Senate has been marking time upon the work-relief joint resolution. It has drawn us into a whirlpool of diverse and unrelated issues cutting across party lines and raising emotional attitudes to a high pitch.

Under such circumstances, it has become difficult to consider the pending measure objectively in the light of the present parliamentary situation, or to center attention once more upon its main purposes. But neither a feeling of self-righteousness, nor pride, nor fear of public opinion, nor even the unshaken belief that we are correct upon any particular phase of the work-relief joint resolution should cause us to forget that our prime responsibility is toward the millions of jobless people in every county of the United States who need

immediate help. They cannot be left stranded because Congress does not agree. They must not be kept indefinitely in suspense until Congress wakes up to the fact that agreement without compromise has become impossible. It is not at the expense of the destitute that Congress should continue to hold a Roman holiday of obviously futile debate, parading the whole stock in trade of political controversies that have nothing to do with the pending work-relief measure.

No one will deny that the prevailing-wage amendment already adopted by the Senate is the anchor which is holding the joint resolution in a stationary position. It is clear also that there would be little hope for a solution if that amendment were again to be adopted by this body by a slender margin. The House has already sanctioned the joint resolution without any language regarding the prevailing wage. In consequence the measure would in all probability come back to us from conference shorn of the hotly disputed section and we should be forced to begin again where we are today and where we were a month ago. Even if by some unlikely chance the McCarran amendment were to be adopted by Congress, we have been assured on good authority that the entire joint resolution would encounter an insuperable Presidential veto.

Not even these weighty considerations could move me to urge the slightest modification of the stand which the Senate has taken upon the prevailing wage were it not for the unusual situation in this body itself. It would be the height of ingratitude and injustice to question, even by innuendo, the sincerity of any Senator who has supported the McCarran amendment. But at the same time we must face the fact that these supporters have not the strength which would derive from a mutual outlook upon the major features of this joint resolution.

There are some who want to cut down the appropriation to \$2,000,000,000 or less. There are others who want to return to the dole. There are still others who want to rewrite the joint resolution completely in order to state with particularity how every cent of the money should be spent. There are a few who are opposed to the whole program.

I do not intend at this time to debate the validity of any one of these propositions, although, of course, I am for the full appropriation, for public works, and for allowing the President discretion in the selection of projects. But it is clear that an army which is thus divided against itself as to its objectives cannot hope to win a complete victory. If some satisfactory compromise is not agreed upon, such an army can succeed only in defeating the whole program.

I am unshaken in my belief that the prevailing-wage amendment in the form already adopted by the Senate charts the correct course. I still fear there will be grievous consequences if less than the prevailing wage is paid in any substantial areas where work is done under this joint resolution. I have a profound conviction that the Senator from Nevada [Mr. McCARRAN] has waged one of the fairest and most intelligent fights for an unquestionably just cause within my recollection.

But viewing the present situation in all its aspects, it is my opinion that the most feasible solution for those who want the joint resolution to become law is to vote against the McCarran amendment and to transfer support to the new amendment now offered by the junior Senator from Georgia [Mr. RUSSELL]. This provides that the rates of wages now fixed by law or code shall be paid upon all public buildings of the United States, constructed in whole or in part with funds appropriated by this joint resolution. In short, it brings a substantial portion of the new work within the protection of the prevailing wage.

Secondly, in regard to all other work, this amendment, unlike the prior proposal of the Senator from Georgia, does not contemplate a subsistence wage, with authority in the President to revise it upward if it begins to exercise a depressive effect upon the scales in private industry. In a 1-year program such action would be no more than a futile afterthought. On the contrary, this amendment centers responsibility directly upon the President to fix all wages from the outset, and couples this responsibility with a definite

mandate from Congress that nothing shall be done to lower the rates of pay in private industry. In view of the incontestable truth that wages seek the lowest level, I feel sure that this language imposes upon President Roosevelt the obligation in most instances to set substantially the prevailing rate.

This reduces the question to whether or not we are desirous of trusting the President; and to my mind there can be but one answer. I have been intimately associated with Franklin D. Roosevelt in public life for 25 years. No one has excelled him in steadfast and intelligent devotion to the welfare of the working people of this country. Over the bitter opposition of every vested interest, he struggled in Albany as a young legislator to help enact 56 progressive labor laws that made New York State a shining mark for all to emulate.

His record as Governor and as President needs no review in the Senate. Those of us who recall the dreary days when the workingman was an outcast from the corridors of government, and when no proposal for social legislation could make any headway, cannot fail to be inspired by the accomplishments of the past 2 years. The abolition of child labor, the Nation-wide regulation of minimum wages and maximum hours, and the inauguration of a comprehensive social-security program, are testimonials above all to the humane singleness of purpose of President Roosevelt. Let us not, at the moment when his heroic efforts are turning the tide of adversity, allow the destruction or fatal delay of a most important feature of his program. Let us rather place confidence where it has been so magnificently earned.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. I yield.

Mr. BORAH. I should like to ask the Senator from New York what is the real difference between the McCarran amendment and the amendment offered by the Senator from Georgia [Mr. RUSSELL]? What is the distinction?

Mr. WAGNER. To give the Senator a perfectly candid answer, in my judgment there is very little distinction.

Mr. BORAH. Then why was it the Senator in the first place was unwilling to take the other amendment?

Mr. WAGNER. What other amendment?

Mr. BORAH. Why was it the Senator was opposed to the amendment of the Senator from Georgia when it was previously presented?

Mr. WAGNER. The amendment proposed by the Senator from Georgia, in the first instance, is entirely different from the amendment now offered. The amendment now offered by the Senator from Georgia preserves, in the first place, the provisions of the Davis-Bacon Act, which requires, in the construction of all public buildings, the payment of the prevailing rate of wage. That, by the way, is the only law now in the statutes of the United States requiring the payment of the prevailing rate of wage. That is preserved absolutely, so that in the construction of all public buildings the prevailing rate of wage will have to be paid, or as required by the code.

Secondly, the other provision of the proposed compromise places upon the President the responsibility—not at some subsequent time, but at the very beginning—in the fixing of the wage to fix one which will not injure or adversely affect the wages paid in private industry.

I am of the opinion that any wage fixed by the President which would be substantially below the wage paid in private industry would at once bring the wage of private industry down to the level fixed. Therefore, to carry out the mandate of the President, in my opinion—and I am rather certain of my convictions upon the subject—practically the prevailing rate of wage will be paid.

Mr. BORAH. Is it the opinion of the Senator from New York that the amendment of the Senator from Georgia will maintain the prevailing wage in the country?

Mr. WAGNER. That is my opinion.

Mr. BORAH. Then what is the difference between the two?

Mr. WAGNER. As I said before, there is substantially no difference, except, to be perfectly candid, the amendment proposed by the Senator from Georgia will have the approval of the President, and the so-called "McCarran amendment", we have been told upon authority, will encounter a Presidential veto.

Mr. BORAH. I do not understand why an amendment which means exactly the same thing as that which the President will approve will be vetoed, if it does mean the same thing.

Mr. WAGNER. I am giving the Senator my opinion as to the effect of the pending compromise.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Wyoming?

Mr. WAGNER. Yes.

Mr. O'MAHONEY. I desire to suggest to the Senator from New York that there is a third difference which he has not cited—if I understand the amendments correctly—namely, that under the new Russell amendment there is a specific provision which will have the effect of protecting the rates of wages to be paid under all loans and grants. The joint resolution as it now stands will authorize loans and grants for public use of States, their political subdivisions, and agencies. Under this new compromise amendment, if I understand it correctly, all the prevailing wage rates of all States and of all municipalities will be certainly protected, while it was not at all clear that they would have been protected under the original Russell amendment.

Mr. BORAH. Then, may I ask the Senator from Wyoming a question? Is it the view of the Senator from Wyoming that the amendment offered by the Senator from Georgia will result in maintaining the prevailing wage in this country?

Mr. O'MAHONEY. Does the Senator refer to the compromise amendment offered by the Senator from Georgia?

Mr. BORAH. Certainly. I am speaking about the one that is now offered, or is to be offered. Does the Senator from Wyoming believe that the so-called "compromise amendment" of the Senator from Georgia will result in maintaining the prevailing wage in this country?

Mr. O'MAHONEY. I do.

Mr. BORAH. Then, what is the difference between that and the McCarran amendment?

Mr. O'MAHONEY. The difference between that and the McCarran amendment is that one—the McCarran amendment—imposes the prevailing wage upon all sorts of work to be carried on under this joint resolution. It must be perfectly clear that there are two types of work to be carried on under the joint resolution for the purpose of providing work and work relief. One type of work will be the made work. The other type of work will be the useful public work. With respect to made work, under the McCarran amendment, it would have been mandatory upon the President to have imposed the prevailing rate of wages except for the conservation camps. That does not become mandatory under the compromise Russell amendment.

Mr. McCARRAN. Mr. President, will the Senator from New York yield for a question addressed to the Senator from Wyoming, or does not the Senator care to do so?

Mr. WAGNER. If the Senator from Nevada wishes me to yield to him, I yield; certainly.

Mr. McCARRAN. Mr. President, addressing the Senator from Wyoming, is it not true that the new Russell amendment limits itself to public buildings of a permanent nature?

Mr. O'MAHONEY. Oh, no; it goes to all loans and grants as well.

Mr. McCARRAN. Will the Senator kindly read that language? I should be glad to have it read.

Mr. O'MAHONEY. Certainly:

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise.

Mr. McCARRAN. Where does that differ from the amendment I have offered?

Mr. O'MAHONEY. The amendment which the Senator from Nevada offers provides:

That * * * such rules and regulations shall stipulate that the rates of wages paid * * * by any contractor or subcontractor * * * or by the public officer in charge for the United States or for the District of Columbia * * * for work done under this joint resolution—

That means work of any kind—
whether by contract or otherwise—

Anywhere, whether done by the Government on force account or through contract, whether made work or ordinary public work.

Mr. McCARRAN. Correct.

Mr. O'MAHONEY. The amendment of the Senator from Nevada, as I interpret it, covers the whole scope of all work done under the joint resolution, whereas the amendment of the Senator from Georgia allows a difference in the rates of wages to be fixed upon made work and upon work which is done in a normal and ordinary manner for useful purposes.

Mr. McCARRAN. Am I not correct in the statement that the Russell amendment limits the made work to public buildings only, and that public buildings are now covered by the Davis-Bacon Act?

Mr. O'MAHONEY. Oh, no; I do not understand it that way at all. The Russell amendment preserves the wage scale provided in the Davis-Bacon Act. In other words, it preserves all that has been gained by labor to date, and it provides that the rates on all other work shall be so fixed as to preserve the wage structure.

Mr. HASTINGS obtained the floor.

Mr. WAGNER. Mr. President, may I make a suggestion to the Senator? Unless it should be preserved in this amendment, my opinion is that the Davis-Bacon Act would be repealed so far as the use of the funds provided under this relief measure is concerned, and that we are now preserving it.

Mr. McCARRAN. The Senator evidently has not read the amendment, because it specifically maintains all existing legislation.

Mr. WAGNER. No; it provides that the wages upon public buildings shall be paid according to existing law, which is the Davis-Bacon Act; but if we should not make such a reservation in this amendment, and the work-relief measure which we are now considering should become a law, the Davis-Bacon Act, so far as the use of funds under this act is concerned, would be repealed; and now we are retaining the provisions of the Davis-Bacon Act. Of course, it is a matter of legal construction, but that is my construction.

The VICE PRESIDENT. The Chair regrets to advise the Senator from New York that his time has expired. The Senator from Delaware has been recognized.

Mr. HASTINGS. Mr. President, in the first instance let me express my understanding of the difference between these two amendments.

The Senator from Wyoming [Mr. O'MAHONEY] read the first part of the Russell amendment, which is that—

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise, by funds appropriated by this joint resolution—

Now, here is the important language—

as will, in the discretion of the President, accomplish the purposes of this act, and not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

Of course, that simply means nothing except that the President has authority to do what he pleases with the rates of pay. The only provision in the Russell amendment which is mandatory is this:

Provided, however, That whenever permanent buildings for the use of any department of the Government of the United States, or the District of Columbia, are to be constructed by funds appropriated by this joint resolution for which rates of wages are now determined in accordance with the provisions of any law of the United States or any code, the President shall fix the rate of wages upon such public buildings in accordance with such laws and codes.

That is the only definite provision in the amendment. I suggest to the Senate that the work relief is for immediate use, and it would take architects a year to prepare plans for any such building as is described in the Russell amendment.

In that connection I desire seriously to call the attention of Senators to the fact that many States have prevailing-wage-rate laws. Extracts from those laws have been printed and are on the desks of all Senators. In those laws the provisions referred to will be found, many of them, applying directly to public roads in the respective States, as well as to public buildings and public projects of every kind.

I desire to call attention to the fact that in the pending joint resolution \$900,000,000 are provided for public projects of States or political subdivisions thereof. If any State should be fortunate enough to have any of that money allocated to it, the money would have to be expended under the laws of the State, and the particular laws to which I have called attention must apply. The prevailing wage-rate laws in the States are not new enactments. They have followed the Federal law which has been in existence for many years; and in almost every act, the very latest act up to this time, we have always provided that in the construction of buildings under the particular act the prevailing wage shall apply.

That is not only true with respect to the \$900,000,000, but it is also true with respect to the \$800,000,000 for public roads. So, regardless of how much argument there may be about the payment of the prevailing wage, and regardless of how much opposed to it the President may be, the practical result of the whole matter will be that the prevailing wage will prevail in all work done under this proposed act. There is no other practical way in which to deal with the matter; and the strange thing to me is that, anxious as the President is to have Congress pass this measure, he should serve notice upon us, merely because we do not leave this discretion entirely to him and because we undertake to follow the Federal statutes of the past and the laws of more than half of the States, that if we adopt the McCarran amendment he will veto the joint resolution.

Mr. President, I now desire to call attention to the origin of this legislation, which was the President's first message to the present Congress; and I call attention to the particular kind of work he said he would recommend:

This new program of emergency public employment should be governed by a number of practical principles:

(1) All work undertaken should be useful, not just for a day or a year, but useful in the sense that it affords permanent improvement in living conditions or that it creates future new wealth for the Nation.

My original vote in favor of the McCarran amendment was based upon the fact that the President was insisting that by this measure we should increase the wealth of the Nation. My opposition to the joint resolution as it stood was that we should be increasing the wealth of the Nation at the expense of the poor people who are now on the relief rolls of the Federal Government, and it seemed to me it was an unfair thing, an unjust thing. I stated time and time again that it was not merely because the American Federation of Labor was in favor of the McCarran amendment that I was favoring it, but it seemed to me that we could not do justice to our fellow citizens without approving the amendment.

I desire to call attention, however, to some additional facts which we have ascertained since that time. It will be remembered that in the testimony we find that \$750,000,000 of this huge sum was to be used for direct relief, \$130,000,000 of it was to be used for the C. C. C., and I got the distinct impression that all of the funds after that were to be used for permanent improvements and to increase the national wealth. But when we find what is called a break-down of this joint resolution, we find an entirely different situation. We find, in the first place, \$600,000,000 appropriated to the C. C. C., a thing we did not know about, and, with respect to what was stated before the committee to be the object of the security wage, namely, \$50 a month, or \$600 a year, may I call attention to the fact that the cost is \$1,000 a year for each person who is enrolled in the C. C. C.; so that out

of the three and a half million proposed to be taken care of under the joint resolution, 600,000 of them will be taken care of by this allotment to the C. C. C., and they will be paid \$1,000, when it is proposed to pay other people only \$600 a year, or \$50 a month. It seems to me that is a point which ought to be seriously considered.

I wish to call attention to a further break-down, which seems to me to be important, included in the Comptroller's letter directed to the Senator from South Carolina. Let us ascertain what the nature of this work is to be. It will be remembered that \$500,000,000 is to be appropriated under the allotment for rural rehabilitation and relief in stricken agricultural areas. I have here the memorandum; I have excluded from it some portions which the Comptroller said could not be approved, and am about to read it with those excluded. But let us see whether this does what the President says in his annual message to the Congress he intended to do.

I read:

Furnishing subsistence goods and services (food, clothing, shelter, medical service, school supplies, etc.) to destitute families in rural areas.

Furnishing farm equipment and supplies, mules, horses, cattle, barnyard stock, seeds, fertilizer, and other rehabilitation equipment necessary for the operation of farms in order to enable destitute families to become self-sufficient on the land.

Acquisition of land for rehabilitation purposes.

Supervision and advice in connection with rehabilitation of destitute families.

Rehabilitation or resettlement of stranded populations in rural areas.

Direct relief to families in stricken agricultural areas.

Furnishing of feed and seed.

Prosecution of work projects—

And this is the only part of it which seems to be in any way permanent:

Prosecution of work projects to aid in the relief of stricken agricultural areas, such as: Water conservation; dams; reservoirs; pipe lines; well digging and drilling; purchasing, processing, and distribution of livestock; purchase of land necessary for the prosecution of work projects.

Mr. President, I pass from that to another item, namely, \$300,000,000 for projects for professional and clerical persons. Let us see what the break-down of that item is. I read:

This general class is intended to give employment—

And this is approved by the Comptroller—

This general class is intended to give employment to large numbers of professional and clerical workers now on the relief rolls, such as art projects; charts and graphs; dramatics; education work, such as student aid, workers' education, literacy classes, nursery schools, vocational training, and rehabilitation; mapping; nursing and other public-health work; orchestras; planning work; record keeping; research and special surveys; surveys of unemployment and population problems; traffic studies.

There is not a thing in the world there except the kind of work that was done under the C. W. A.

Now I call attention to the \$900,000,000 allotment supposed to go to the various States, and I do so in order to demonstrate conclusively that in the States where the money goes, where there is a prevailing wage, and the prevailing wage must be paid, because the Comptroller says:

With the understanding that this item of the appropriation will be used only on projects that are in fact public projects undertaken and contributed to by the State or political subdivision thereof, there would appear no objection to regarding the listed projects as within the scope of the appropriation item.

There are in it all kinds of items which cannot be said to increase the wealth of the Nation.

Mr. President, as between the two amendments, I have already stated what I conceive the difference to be. One is definite; the other is not definite.

I have called attention to the further break-down of these items largely for the purpose of showing that those who are explaining what this money is to be used for are themselves jittery and dizzy and do not know what is to be done with it, and I submit that when any amendment is offered which adds to the pending joint resolution any form

of definiteness, and which is agreeable to the Senate, it ought to be written into it.

There certainly is enough left of discretionary power in the President as to how the money shall be spent and where it shall be spent to satisfy him in all respects, and it seems to me that we ought at least to protect as best we can the wage scale, which the President said ought to be maintained. He writes a letter to the chairman of the committee and calls attention to the fact that his whole administration has been bent upon increasing wages. Let me call attention to the fact that those on the outside of his Chamber, the newspapers, the chambers of commerce, and what not, which have been opposed to the amendment are not opposing it for any other purpose than to drag down the wage scale itself.

If that were the proposition put to the Senate, we might discuss it, and we might have different views upon it, but I am discussing now only what the President himself says he wants to do. He wants to keep the wage scale high, he insists that wages must be kept high, but he now objects to the Congress writing into the joint resolution the one thing which would make it certain that that would be done.

I submit, Mr. President, that the McCarran amendment should be approved.

Mr. CUTTING. Mr. President, I had not intended to speak on this subject except in the form of a question to the Senator from New York [Mr. WAGNER], who, I regret to see, has just left the Chamber.

I think we can all agree that the amendment now submitted by the Senator from Georgia [Mr. RUSSELL] is in many respects a substantial improvement on the amendment originally submitted by that Senator, which is embodied at present in the joint resolution as it comes from the committee. Certainly the second paragraph of the amendment is a great improvement, in that it makes mandatory the prevailing wage scale for permanent buildings constructed by the Government of the United States or the District of Columbia. But with regard to the first paragraph, I submit that there is no improvement whatever in the amendment with respect to any other projects except those which I have just mentioned.

I greatly regret that the Senator from New York is not in the Chamber, because I feel that from the beginning he has taken the sound and logical position on the question of the maintenance of the prevailing wages.

Mr. McNARY. Mr. President, will the Senator yield for me to suggest the absence of a quorum?

Mr. CUTTING. I yield for that purpose.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Loneragan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiner
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON] on account of illness.

The PRESIDENT pro tempore. Ninety-two Senators have answered to their names. A quorum is present. The Senator from New Mexico will proceed.

Mr. CUTTING. Mr. President, how much time have I remaining?

The PRESIDENT pro tempore. The time occupied in the calling of the roll will not be taken out of the Senator's time. The Senator has 18 minutes.

Mr. CUTTING. Mr. President, I regret that the Senator from New York is not yet in the Chamber, but in the present parliamentary situation I can have no other chance at all to make any remarks, so I merely want to call to the attention of the Senate the fact that from the beginning of this controversy there have been only two possible theories as to the effect which the lowering of the wages on public-relief projects will have on the wage scale. One of these theories was championed by the Senator from New York [Mr. WAGNER]. The opposite theory has consistently been championed by the President.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CUTTING. I yield to the Senator for a question.

Mr. LONG. How many was it that Moses kept faithful in the pilgrimage which he made from Egypt to carry the children of Israel to the promised land? How many faithful finally landed there? Does the Senator know the number?

Mr. CUTTING. I should prefer to let the Senator answer his own question. He is more familiar with the Scriptures than am I.

Mr. LONG. Well, I will look that up.

Mr. CUTTING. Mr. President, on February 19 the Senator from New York made a most able and convincing speech before this body. I shall read only a single paragraph, which seems to me to go to the heart of the matter.

Bitter experience—

Said the Senator from New York—

has taught us that wages seek the lowest level and that even those who recognize the wisdom and the justice of fair play cannot withstand the unfair competition of the private exploiter. How much less able will they be to withstand the depressive tactics of the largest employer in the country in the person of their Government itself? What will exhortations to keep wages up avail in the presence of such an example? If the public projects under this joint resolution set rates of pay for full-time work below those prevailing elsewhere, private industry will find this lower level with the certainty that the river finds the sea.

That is one theory of the matter—a theory with which I confess I am in complete agreement.

Here is the opposite theory contained in the letter of the President of the United States to the chairman of the committee [Mr. GLASS]. I quote from the RECORD of February 21:

I object to and deny any assertion that the payment of wages to workers now on the relief rolls at less than the prevailing rate of wages may, under some theory, result in a lowering of wages paid by private employers. I say this because it is an obvious fact—first, that the Federal Government and every State government will act to prevent reductions; and, secondly, because public opinion throughout the country will not sustain reductions.

I have enough faith in the country to believe that practically 100 percent of employers are patriotic enough to prevent the lowering of wages.

Here, it seems to me, there is a complete divergence of opinion. I see no way whatever in which we can reconcile the position taken by the Senator from New York on February 19 with the position taken by the President of the United States on February 21.

I am not concerned at this moment to argue which one is correct, but I cannot see how any man who agrees with the position championed by the Senator from New York on February 19 can believe that he is accomplishing anything by accepting the first paragraph of the amendment proposed by the Senator from Georgia [Mr. RUSSELL]. I read it:

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise, by funds appropriated by this joint resolution, as will in the discretion of the President accomplish the purposes of this act and not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

In other words, if we adopt this amendment, Mr. President, we leave to the discretion of the President whether or not a

low rate of pay in relief work will or will not tend to decrease the going rates of wages. The President has repeatedly, frankly, and ably championed the theory that under no circumstances will the lowering of wage on relief work affect the prevailing wage scale in industrial work. He believes that the pressure of public sentiment and the action of the Federal and State Governments will prevent private employers from lowering the wage scale under those circumstances.

The Senator from New York and the majority of the Senate took the other view.

Mr. CONNALLY. Mr. President, may I call the Senator's attention to the fact that the Senator from New York has now returned to the Chamber?

Mr. CUTTING. I am sorry that all I have said has been, necessarily, in the absence of the Senator from New York. I rose in the first place to ask him a question. My time is so limited now that it will be difficult to carry on any intelligent discussion of the matter. The point I have been trying to make, may I say, is that the Senator from New York has consistently taken the position that the lowering of wage scales on relief work—and I quoted from his very able speech of February 19—would necessarily result in the lowering of the general wage scale, and that the President of the United States, in his letter to the senior Senator from Virginia on February 21, took a diametrically opposite view.

What I cannot see now is how those of us who agree with the position taken by the Senator from New York on February 19 can submit this particular question to the discretion of the President when we know that the President has an entirely different theory from that entertained by the Senator from New York and those of us who followed him. To my mind, it is no answer to that to say that we believe in the good faith of the President or have confidence in him. The more confidence we have in the President of the United States, the more sure we may be that when the time comes he will do exactly what he said he would do in his letter to the Senator from Virginia. Therefore, if we adopt the amendment proposed by the Senator from Georgia, we are absolutely certain that, if necessary, in his opinion, he is going to reduce the wage scale, believing, as he does, that that will not affect the general wage scale outside of relief work.

I listened with great interest to the remarks of the Senator from New York, but I have not been able to find any way of solving that dilemma.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. CUTTING. I yield to the Senator from South Carolina.

Mr. BYRNES. Does the Senator understand that the McCarran amendment provides for the prevailing wage? Specifically, I will ask the Senator's opinion of the language on page 2 of the amendment, where it is provided that it shall be the prevailing wage paid "at the time of the approval of this resolution." If during the next year the wage in the community in which the Senator resides, for instance, should be higher than it is at this time, then, under this amendment, the prevailing wage would not be paid, but the wage paid would be that prevailing at the time of the approval of the joint resolution, would it not?

Mr. CUTTING. Of course; the Senator from South Carolina is entirely correct.

Mr. BYRNES. If the wage should happen to be lower during the year, the wage paid would not be the prevailing wage but the wage in effect at the time of the approval of the joint resolution.

Mr. CUTTING. I confess I am sorry the amendment now proposed by the Senator from Nevada is in that respect different from the one which he originally proposed; but nevertheless, even as the McCarran amendment now stands, we can be sure that the general wage scale will not be lowered from the point at which it is at the present time. So we are at least gaining something substantial, and I do not feel that we are gaining anything at all in that respect from the first paragraph of the amendment suggested by the Senator from Georgia, admitting, perfectly frankly, that the second paragraph of that amendment really does constitute a substantial improvement over the committee amendment.

Mr. WAGNER. Mr. President—

Mr. CUTTING. I yield to the Senator from New York.

Mr. WAGNER. Did the Senator intend a moment ago to address the question to me? I do not wish to be discourteous to the Senator. I tried to explain my position with regard to the effect of the so-called "revised Russell amendment", in that it imposes upon the President, in the first instance, in the case of projects which do not involve the construction of public buildings—because, as to them, we have a fixed wage to be paid—the obligation when the original wage is determined to fix a wage which will not adversely affect the wage paid by private industry.

Since my view is fairly definite, from years of experience, that if we fix a wage substantially below that which is paid in private industry, the wage in private industry is bound to go to the level of the wage the President may fix, therefore I am very certain that there is very little difference, if any, between the two amendments, and the President is obligated as the result of the mandate of the Congress to fix practically in every instance the prevailing rate of wage. To that extent I agree with the Senator from Delaware [Mr. HASTINGS], who construed this amendment as being a prevailing-wage amendment; but one amendment will be approved and the other will not be approved; and I think at this stage of the proceedings those of us interested in carrying out this program and adopting the legislation have to be practical about it, and if both amendments mean practically the same thing, we ought to adopt the amendment which we are sure will be approved.

Mr. CUTTING. Mr. President, I may say that if the Senator from New York were going to administer the joint resolution, then, I think the two amendments would mean the same thing, because the Senator from New York has consistently taken the position which he has just expressed, that a lowering of wages on relief work or any other kind of work necessarily has some influence on the prevailing-wage scale in private industry; but, if the Senator does not object, let me read him again what the President of the United States says:

I object to and deny any assertion that the payment of wages to workers now on the relief rolls at less than the prevailing rate of wages may, under some theory, result in a lowering of wages paid by private employers.

Does the Senator agree in that respect with the President of the United States?

Mr. WAGNER. But the President has agreed, as I understand, to assume the obligation which will be imposed upon him as a result of this so-called "compromise amendment", and so, to that extent undoubtedly, the President's viewpoint may have changed. I cannot say as to that; but he has agreed to assume the obligation.

Mr. CUTTING. If the President's point of view has changed, then, I submit that, in all fairness, he ought to advise the Congress accordingly. I am assuming that his point of view has not changed, that his conviction is unaltered, and, if that is the case, then it seems to me when we leave to him the decision whether or not a rate of wage in relief work will or will not "tend to decrease the going rate of wages paid for work of a similar nature" by private industry, we know in advance that his mind is made up; that there is no circumstance—at any rate no ordinary circumstance—which would induce him to hold that a \$50-a-month wage, we will say, upon relief work would tend to decrease the going rate of wages. So, I think, we are leaving it to the President's discretion to do exactly what he pleases in that respect, and that we know that his view of the situation is diametrically opposed to that taken both by the Senator from New York and myself.

That, it seems to me, is the danger of this amendment. I should be glad to be convinced otherwise; but so far it seems to me perfectly clear that, except for Government work on permanent public buildings, we gain little or nothing in the Russell amendment for the maintenance of our wage scale, which to my mind is the most valuable possession the United States has at the present time.

Mr. WAGNER. Mr. President, will the Senator yield for one further suggestion?

Mr. CUTTING. I yield to the Senator from New York.

Mr. WAGNER. Of course the Senator knows that in the majority of States there now exist statutes requiring the payment of the prevailing rate of wage on public construction, and we ought to understand that most of the work to be done under the so-called "relief bill" will be by loans to municipalities and States, because they have planned their work and are ready to proceed; and loans made to communities to prosecute these projects, representing a large proportion if not over half the amount to be expended, will have, of course, to be expended under circumstances requiring the payment of the prevailing rate of wage. At least that is my opinion.

Mr. JOHNSON. Mr. President, will the Senator yield to me for a question?

Mr. CUTTING. I yield to the Senator from California.

Mr. JOHNSON. If the Senator from New York is correct in saying that this amendment preserves the laws of the States in respect to the prevailing wage, why does not the amendment say so?

Mr. WAGNER. I do not see how we can preserve the laws of the States. What I said was—and I think the Senator misunderstood me—that I am sure that in none of the communities of which I know, certainly not in New York, will there be a repeal of the prevailing rate of wage provisions of law; so that any money loaned to communities in New York State will be for projects upon which the prevailing rate of wage is to be paid. I think that is something we ought to keep in consideration.

Mr. JOHNSON. That will be so in all the States where prevailing-wage laws exist, will it not?

Mr. WAGNER. Yes.

Mr. JOHNSON. Does the Senator construe the particular Russell amendment to eliminate the subsistence wage?

Mr. WAGNER. To eliminate the subsistence wage?

Mr. JOHNSON. Yes.

Mr. WAGNER. I do.

Mr. JOHNSON. So, I simply repeat what he has said, that there is substantially no difference between the Russell amendment and the McCarran amendment.

Mr. WAGNER. As I interpret the obligation upon the President, there is no difference; but I am candidly practical about this situation and I want the pending legislation passed.

The PRESIDENT pro tempore. The time of the Senator from New Mexico has expired. Does the Senator from California desire to take the floor in his own right?

Mr. JOHNSON. No; I do not; but I should like to ask one further question of the Senator from New York, if it is permissible under the rules.

The PRESIDENT pro tempore. The Chair is sorry, but the time of the Senator from New Mexico having expired, unless the Senator from California desires to take the floor, that cannot be done.

Mr. WAGNER. I wish to say to the Senator that I only speak for myself and express my own opinion; I cannot speak for anyone else.

The PRESIDENT pro tempore. Under the unanimous-consent agreement, a Senator cannot speak more than once or for longer than 20 minutes. Does any Senator desire the floor at the present time, or shall the Senate proceed to vote on the amendment?

Mr. JOHNSON. I will take the floor after a while, but not at present.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment offered by the Senator from Georgia [Mr. RUSSELL] to the amendment reported by the committee.

Mr. LONG. Mr. President, I yield to the Senator from California in order that he may propound the question that he desired if he wishes now to do so.

Mr. JOHNSON. No; I will not do it in that fashion. I thank the Senator from Louisiana.

The PRESIDENT pro tempore. The Chair holds that a Senator cannot take the floor for the purpose of making a speech and then yield to another to ask a question.

Mr. LONG. I want to make a speech.

The PRESIDENT pro tempore. The Senator from Louisiana is recognized and his time has commenced to run.

Mr. LONG. Mr. President, as I understand the Senator from New York [Mr. WAGNER], he construes these amendments to be about the same. The Senator from New York is a brilliant lawyer. It is his opinion, he says, that the McCarran amendment and the Russell amendment both purport to protect the prevailing wage. Then I cannot see why we are having a row over the matter. If the Senator from New York sees it in no different light than do those of us who differ from him see it, then why can we not go along, as we have all been together on this matter?

I know, of course, the Senator from New York would like to see the prevailing wage maintained.

I asked the Senator from New Mexico [Mr. CUTTING] a question, Mr. President, a few moments ago, which question he was unable to answer. I merely asked him if he knew how many there were who were led out of the Egyptian bondage who remained faithful enough long enough to get to the promised land. The Senator from New Mexico did not want to tell me, or else the Senator from New Mexico did not know what the number was. I have since been informed that when Moses, under the command of the Lord, led the Israelites out of Egyptian bondage, there were such snares and lures on the way that only two of them ever managed to stay faithful long enough to get inside the gates.

Mr. President, we started out with plenty of votes for the amendment to maintain the prevailing wage in the United States. It was not intended to be understood that that was very good, because the prevailing wage is much less than half the living wage. According to standards and statistics, we who sit here in the Senate have made a fight for a wage which is not one-half a living wage. That is not a very worthy result of all that we have done, but that is what the effect of it has been.

Mr. GLASS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Virginia?

Mr. GLASS. Will the Senator yield to me just a minute to ask the Senator from New York [Mr. WAGNER] a question?

Mr. LONG. I yield for that purpose if I may do so without surrendering the floor.

The PRESIDENT pro tempore. The Chair will state that if the yielding results in a speech, the Senator from Louisiana will lose the floor. The Chair is merely cautioning the Senator from Louisiana.

Mr. GLASS. I am not going to make a speech. I want to ask the Senator from New York a question. I simply want the Senator from Louisiana to let me ask the Senator from New York a question.

The PRESIDENT pro tempore. If yielding for that purpose results in a speech by any other Senator, the Senator from Louisiana will yield the floor.

Mr. McCARRAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Nevada?

Mr. LONG. I yield for a question.

Mr. McCARRAN. If I ask the Senator from Louisiana to yield to me for the purpose of inserting something in the RECORD, would that take away from my time or from the time of the Senator from Louisiana?

The PRESIDENT pro tempore. The Senator from Louisiana, having yielded the floor for such a purpose, would lose the right to continue further.

Mr. LONG. I do not yield for that purpose, because if I did so, under the ruling of the Chair I would lose the floor.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. LONG. I yield for a question.

Mr. GLASS. I want to ask the Senator from New York upon what authority he makes the statement that the proposed Russell amendment would vitiate the subsistence wage proposed by the President of the United States? The Senator from New York seems to be more intimately in the confidence of the President than am I, but, being in charge of the pending joint resolution, I should assume that if the President of the United States thinks that to be so he would confide it in me, and he has not done so.

Mr. LONG. Mr. President, I ask the Chair to protect me and see that I do not lose the floor.

The PRESIDENT pro tempore. The rule cannot be indirectly violated by that character of question and reply. If the Senator from Louisiana yields for a question to be propounded to himself, and which he himself answers, it is entirely within the rule.

Mr. LONG. I would be almost as much confused. I could almost ask that question myself of the Senator from New York if it were proper. It is a matter of confusion. I cannot explain the statement of the Senator from New York. It is based upon his own logic, and based upon his own words, but is it based upon what others have told us? Unless there is a variance, why quibble? I am afraid my friend is being misled.

Mr. WAGNER. Mr. President—

Mr. LONG. I yield for a question.

The PRESIDENT pro tempore. The Senator from Louisiana yields for a question, but not a statement.

Mr. WAGNER. I shall put it in the form of a question. Did I not, on the floor of the Senate, state as my personal opinion that carrying out the obligations of the revised Russell amendment would require the payment of substantially the prevailing rate of wage? That is the basis of my statement—not that I was quoting any other authority at all. I was giving my own opinion, which I think I have a right to give.

Mr. GLASS. The Senator said he is of the opinion that it would abrogate and void the subsistence wage, and I asked if that is the judgment of the President of the United States, who is to administer the provisions of the joint resolution.

The PRESIDENT pro tempore. The Senator from Louisiana refuses to yield for a statement.

Mr. LONG. Mr. President, we instantly see that the Senator from New York is out of line with his old running mates and he is out of line with his new running mates. He is almost a lone wolf in this body. No one except himself knows where to place him on this issue. Perhaps my friend from Wyoming [Mr. O'MAHONEY] gives comfort to his stand right now.

It is almost like the story of the lost tribe. The tribe of Israel wandered through the wilderness for a good goal and a good purpose. We have been told of a promised land where the pomegranates grow and the milk and honey flow. We started out for the promised land. We sent our emissaries ahead that they might come back and tell us what to expect from the promised land. They went into a committee room. Thirteen of them on the first vote came out and told us how inviting the promised land would be, and eight of them came out dissenting.

But lo and behold, our emissaries went into another caucus and convinced the Senator from Georgia [Mr. RUSSELL] that the promised land had dangers in it and they handed him something that looked like the gate was closing a little bit on him. Then when they came out they were "even Stephen" as to whether or not the tribe by standing faithful could afford to approach the portals of the promised land, the land of milk and honey, or at least the land of half milk and honey for the man earning his living by the sweat of his face.

Eventually, however, the time came when they had to refer the matter back to the tribe as a whole that they might decide whether or not the expedient was worthy of the hazard. After considerable consultation among the elders the decision was rendered that they would make the effort to go and receive at the hands of the public generally what was possible under the prevailing circumstances.

But the hand of the tempter is strong. The flesh, of course, is weak. We are all afraid. I have been scared to death here all the time myself. I am not going to say there are not many lures and many rainbows and many crystal-appearing symptoms which cause us to turn aside from the path leading toward the gates of the promised land. I think this body was shown a remarkable fortitude. Moses landed with only two. The Senator from Nevada [Mr. McCARRAN] is going to land with at least two. He has himself, and I know he has my vote. Though from his worthy companion he will equal the record of Moses, at least, when the vote is taken today.

Mr. ROBINSON. Mr. President, I think every Member of the Senate realizes that when the vote was taken on the original McCarran amendment, and subsequently the Senate recommitted the joint resolution to the committee, there was in the minds of all Senators who voted to recommit—and the vote was unanimous—an expectation that a provision would be worked out, if possible, which would relieve the legislation from the menace of a veto and make certain that it should be finally enacted into law.

It is quite easy when one takes a position to say that he will never change, that he knows he is right, that those who take a contrary view are wrong and should know it, and that Senators, having differed by a majority of 1 vote, should place themselves in a position where they could make no compromise and pursue a course which might mean the defeat of the proposed legislation.

Quite naturally, all Senators feel disposed to stand upon the ground they at first took. That is human nature. It is quite natural that one should wish to induce others to change their viewpoints to conform to his own. Whatever interpretations may be placed by Senators entertaining different views concerning this matter, the fact remains that there is an obligation upon the Senate to legislate, and to legislate effectively; and it is also true that there is necessity for compromise. It is only on that theory that the recommitment of the joint resolution can be justified.

Of course we could have sent the joint resolution over to the House, taken a chance on the House resisting the Senate amendment, taken a chance on the Senate conferees yielding to those of the House, and after weeks of contention we could have run the risk of having the joint resolution go to the President, and if it contained the so-called "McCarran amendment" we would have been assured of a veto. Everyone knows that so close was the division in the Senate on the subject that the measure could not have been passed over a veto. So, now, when we divest our minds of those prejudices which naturally exist in a situation such as that in which we find ourselves, we must recognize the fact that it is desirable and commendable to make concessions, to enter into compromises.

Mr. STEIWER. Mr. President, will the Senator yield at that point?

Mr. ROBINSON. Certainly.

Mr. STEIWER. Is the Senator in position to assure the Senate that if the new Russell substitute should be agreed to, the joint resolution would not be vetoed by the President?

Mr. ROBINSON. I am.

Mr. STEIWER. I thank the Senator.

Mr. ROBINSON. Mr. President, I will state in explanation of that statement that immediately following or within a few days after the recommitment of the joint resolution to the Committee on Appropriations I participated in a series of conferences with Senators in an effort to work out a compromise. It was my hope, and the hope of others, that some form of compromise might be found that would be acceptable to both sides of the controversy; but there was a marked difference of opinion concerning the subject which made it impracticable to draft a provision that would command universal support.

The Russell amendment, in my opinion, is a fair compromise; and I propose in just a few words to point out wherein that is true. I think it is not consistent, in view of the statements that have been heretofore made, to suggest that anyone has deserted his standard or his leader in

this connection. I think it is a wholesome and necessary proceeding for which the country has been waiting for an indefinite period. The people of the United States have been unable to understand how men inspired by common purposes of service to promote the general welfare would permit differences among them over a single amendment to hold up and endanger the passage of legislation which is regarded, I believe, by a great majority of the people of the country as essential in this time of distress and depression.

The distinction between the McCarran amendment and the Russell amendment under consideration is, to my mind, very clear. The McCarran amendment requires the payment of the prevailing wage to every person employed in work relief, no matter what may be the conditions respecting his employment or his capacity for labor.

The revised Russell amendment recognizes, I think, clearly that it may not be necessary, in made work, to pay the prevailing wage, and that in order to prevent and avoid enlarging the work-relief roll by attracting laborers from private employment, the President may cause to be paid a lower wage; but the amendment also recognizes the necessity of maintaining the prevailing wage in private industry.

It is true that there is a difference between the President and those who support him in this contention, and those who support the McCarran amendment. In taking from the relief rolls 3,500,000 persons who are receiving a bare subsistence at the expense of the Government of the United States, and are performing practically no service, the President does not believe that it is necessary in all instances to pay union wages or prevailing wages; and he believes that if we compel him to do that, work relief will become the agency of preventing the accomplishment of the very purpose which we all have in mind.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes; I yield.

Mr. McCARRAN. I do not desire to break into the Senator's thought.

Mr. ROBINSON. I will yield to the Senator if he wishes to ask a question.

Mr. McCARRAN. During the course of the Senator's discussion, will he kindly explain the difference between prevailing wages and going wages?

Mr. ROBINSON. Certainly. The prevailing wage under the McCarran amendment would be the wage in force at the time of the adoption of this amendment. In another connection it might have a different meaning, but that is the legal application of it. The prevailing wage is the wage that is now being paid. The going wage is the wage paid at the time of the employment. That distinction is so clear to my mind that I think there will be no difference regarding it.

I started to point out the differences between the two amendments.

With respect to permanent public buildings of the United States or of the District of Columbia, substantially the revised Russell amendment requires the payment of the going wage; but with respect to made work the President may pay any wage which he believes is justified, provided it does not tend, in his opinion, to break down the wage standard of the country.

Criticism of that provision has been made by the able Senator from Delaware [Mr. HASTINGS] on the ground that it gives to the President a discretion that may not be wisely employed. I do not believe the criticism is justified. The President is just as much interested as any Senator can be in promoting national recovery. He is not desirous of breaking down the wage structure of the Nation. His record does not justify any such assumption. On the contrary, everything he has done and everything he has said has tended to build it up and to strengthen it. We now have a situation respecting destitution relief from which we are hoping to escape. I maintain that if the payment of the prevailing wage is required in all the projects which may be undertaken, you will increase the Government employment rolls; you will not accomplish the primary aim of the legislation; you will have half the people in private employment seeking

public employment, because they would rather work for the Government than for any private agency in existence.

There is a magic and a charm in some mysterious manner connected with Federal employment. Many of those engaged in the service of the States are frequently trying to get into the employ of the United States, and if Government employment in all cases should be made equally attractive with private employment, the net result would be that in a general way it would be made more attractive to engage in the Government service than in private employment. That is a difference which we cannot reconcile; it is a practical one.

I think the Senator from New York [Mr. WAGNER] has shown a spirit of wise statesmanship, entertaining the views that he does entertain, to enter into this adjustment of the matter, and I think other Senators who are willing to recognize that the time has come for action, who are willing to recognize that the country is impatiently awaiting this legislation, and who are anxious to see practical results accomplished are rendering a service of great value to the United States.

Mr. President, I have said that the President of the United States is greatly interested in this proposed legislation and is desirous of making it effective for the accomplishment of two purposes; first, of enabling the Federal Government to get away from that process of relief, which, unfortunately and, in the opinion of some, inevitably tends to make a class of mendicants in the United States. There are people on the relief rolls now who are content not to work, who are willing to accept charity, if I may term it so, and it would be unfortunate for the country if we pursued a course which tended to enlarge that group, or to multiply the number of those who are willing to fold their hands and say, "God bless you; I do not have to do anything. I can rely on the Federal Treasury to provide for me and my dependents." If we are to escape that condition, we must make a distinction between work-relief wages and wages in private industry.

The other aim is equally wholesome. There are millions of persons in this country who are facing want and privation, seeking an opportunity to earn a living, and who are denied that opportunity by reason of no fault of their own. The policy which underlies the pending joint resolution is that the Government will do an extraordinary thing, something never before suggested. It will make work, so to speak, in order to give the persons who are seeking it honorable employment, but it will not make the work on such terms as will fasten them forever on the Government pay roll. There is a distinction which is clear to my own mind, and I am wondering how others who are more intelligent find themselves unable to see the distinction.

We have been considering the joint resolution for very, very many days, and the time is approaching, I hope, when we may meet the expectations of the people of the country and dispose of the legislation. It ought to have been finally disposed of some time ago, but we have been working in an effort to harmonize our differences, trying to reach conclusions, and have found great difficulty in doing so. I am hopeful that after the McCarran amendment shall have been disposed of, we may proceed to a conclusion concerning this important legislation, and do it promptly and speedily.

The PRESIDENT pro tempore. The time of the Senator from Arkansas has expired.

Mr. NORRIS. Mr. President, I hope no one will construe anything the Senator from Arkansas [Mr. ROBINSON] has just said as a criticism for any delay that has occurred. I do not intend to indulge in any criticism, or to find fault with the committee or anyone else for the delay. I think too great a delay has occurred, but certainly those who favor the McCarran amendment cannot be charged with being responsible for the delay. It was the friends of the joint resolution who were opposed to the McCarran amendment who took the joint resolution back to the committee after the amendment had once been passed on, and while I am not criticizing them for that, and I do not believe that in their work they were moved by any idea of delaying the leg-

islation, yet certainly if there is to be criticism of anyone for the delay, the criticism cannot be put upon the shoulders of those who favor the McCarran amendment, so called.

Mr. President, I have not heretofore taken any of the time of the Senate in the long debate on this question. To my mind, the issue is plain. I do not believe we can set up a job of work on one side of the street and pay one wage and set up a job on the other side and pay another wage for the same kind of work, and make a success of it. I think the Senator from New York, when he was still in favor of the McCarran amendment, stated the situation very concisely. To me it is fundamental that if there are two wage scales, naturally the result will be a trend to the lower scale and not to the higher scale. I think that is fundamental. I do not intend to take the time to argue it, but to me it is plain, and it seems to me it must be plain to everyone; and I say that without finding fault with those who do not want the prevailing wage paid. I think it is a fundamental proposition.

Today we have before us a modified amendment, and the Senator from New York and others maintain that between that amendment and the McCarran amendment there is absolutely no difference, but we are told in the same breath that the President approves that amendment, and that he disapproves the McCarran amendment to such an extent that he will veto the joint resolution if that amendment shall be included in it. How do Senators explain that? Here are two amendments. From the viewpoint of the Senator from New York, at least, they are just alike, and mean the same thing. The President, apparently, does not have that idea of them, or he would not care which amendment we put into the joint resolution. So, notwithstanding the opinion of the Senator from New York, for which I have the greatest respect, it follows, I think, that there is a difference, that the President at least thinks there is a difference, that he thinks there is a great difference, because we are told that he will veto the joint resolution if one amendment shall be adopted and that he will sign it if another shall be adopted.

Believing, as I do, that the wage scale will run to the lowest rate paid, and that a wage scale below the prevailing wage will inevitably, necessarily, and fundamentally, bring down the rate of wages, I have always favored the McCarran amendment.

We must remember that if we are to get out of the depression there must be purchasing power left in those who toil. We cannot expect to recover if those who toil must get a wage which will only keep soul and body together. If we shall adopt the McCarran amendment, it seems to me it will be of great assistance toward placing in the hands of those who are employed on these projects the possibility of again being enabled to purchase the products which come from the factory and the farm, and that the factory and the farm cannot recover until there is purchasing power put into the hands of someone who will purchase their goods.

Mr. McCARRAN. Mr. President, I ask leave to insert in the RECORD an excerpt from the Baltimore Sun of this morning and a letter from President Green, of the American Federation of Labor.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Mar. 15, 1935]

DOUGLAS WARNS FISCAL POLICY LOGICALLY LEADS TO DICTATOR—FORMER FEDERAL BUDGET DIRECTOR TELLS UNIVERSITY OF PENNSYLVANIA STUDENTS UNITED STATES SPENDING THREATENS CURRENCY AND MIDDLE-CLASS DESTRUCTION

PHILADELPHIA, March 14.—Destruction of the Nation's currency and middle-class population, and possible establishment of a dictatorship were seen today by Lewis W. Douglas, former Director of the Federal Budget, as ultimate possibilities in a continued policy of governmental spending.

In a criticism of the national administration's spending policies and the increasing deficits in the Federal Budget, Douglas painted an extremely black and forbidding picture of events which can follow continuance of such a fiscal course.

SEES POSSIBLE CATASTROPHE

"If the spending policy continue, quite irrespective of the disguised and concealed inflationary methods which have been employed, quite irrespective of the absence of the standard tests

of * * * the amount of gold which we may hold, the effect must be catastrophic," he declared in an address before a student assembly at the University of Pennsylvania's Wharton School of Commerce and Finance.

"If the emergency in the spring of 1933," he asserted, "was sufficient to vest in the Executive greater powers than ever before in our history have been vested in him, is there any reason to doubt that * * * the sheer weight of economic forces * * * will force a complete change in our political organization?"

LIBERTIES HELD AT STAKE

"Only a dictator—whether it be a dictator of socialism or fascism is unimportant—will be adequate to cope with the situation. Thus there will be wiped out all of the liberties for which the Anglo-Saxon race has struggled for more than a thousand years, and thus there will be destroyed, with the forgotten man, the America which created the highest standard of living the world has ever known.

"If the administration pursues its present course, if it insists upon spending and spending, then * * * the ultimate collapse is not pleasant for the 'forgotten man' to contemplate. * * *

"The destruction of the middle class, induced by a destroyed currency, indeed lays the foundation for revolution."

IS NOT PROPHECYING

"I want to make it clear," Douglas explained, "that I am not prophesying, that I have some doubt of a too logical sequence—I am merely stating that if the present spending policy of the administration is continued, the ultimate results may conceivably be as I have pictured them. * * *

"The only method known to man of protecting a currency is to balance the budget of the money-making power."

This could be done in 2 years in the United States, Douglas explained, by the following steps:

Convert Federal credit agencies into purely liquidating agencies. Hold so-called "ordinary expenditures" of Government to \$2,700,000,000, plus about \$1,000,000,000 for liquidation of existing public-works obligations.

Appropriations of \$1,250,000,000 for allocation to the States for relief.

WORKS COST BIG DRAIN

"The huge obligations entered into on account of public works * * *," he said, "will continue for many years to constitute tremendous drains on the Federal Treasury.

"Nor is there any lack of foundation * * * to observe that the great overshadowing bureaucracy erected as an essential concomitant to the emergency expenditures will not, without great resistance, submit to its dismemberment. * * *

Turning to the Federal Reserve System and the credit of the United States Government, Douglas said:

"Given an apparent and obvious impairment of that credit, then the picture is appalling—a bankrupt or almost bankrupt Federal Reserve System * * * an insolvent, or almost insolvent, banking system * * * a destroyed currency, a destroyed middle class. * * *

WARNS OF COINAGE EVIL

He warned that the exercise by governments of their "power to coin money * * * for the purpose of paying their bills" always has "and always will * * * destroy the medium of exchange."

"This, it seems to me," he said, "is the most brutal and cruel thing which any government can do to its people, for it destroys the middle class, the forgotten men * * *."

STATEMENT BY WILLIAM GREEN, PRESIDENT AMERICAN FEDERATION OF LABOR

WASHINGTON, D. C., March 14, 1935.

The representatives of labor are united in their support of the McCarran prevailing wage rate amendment to the public-works relief bill. No compromise on this amendment or upon the very vital principle embodied therein has been accepted or will be accepted.

Labor regards the McCarran amendment providing for the payment of the prevailing rate of wages upon public-works projects in the different towns and cities throughout the Nation as fundamental. Labor is calling upon its friends in the Congress of the United States to support the prevailing wage rate amendment offered by Senator McCARRAN, of Nevada.

We sincerely hope and trust that the McCarran prevailing wage rate amendment to the public-works relief bill will be adopted by the Congress of the United States.

Mr. O'MAHONEY. Mr. President, having listened to the remarks of the able Senator from Nebraska, whose able statesmanship has long been recognized throughout the country, I am impelled to point out what seems to me to be the very clear distinction between the McCarran amendment and the compromise Russell amendment.

Mr. NORRIS. Will the Senator from Wyoming yield?

Mr. O'MAHONEY. Certainly.

Mr. NORRIS. I do not want the Senator to get the idea that I am saying they are the same. I do not believe they

are the same in that respect. I agree with the President of the United States, rather than with the Senator from New York.

Mr. O'MAHONEY. Mr. President, I realize that the Senator from Nebraska does not believe that they are the same, but it seems to me it will serve a useful purpose to point out here plainly what the distinction is. The McCarran amendment itself recognizes this difference. The last proviso of the McCarran amendment reads in part as follows:

Provided, however, That nothing in this section shall apply to the administration of the Civilian Conservation Corps.

In other words, that is a clear declaration in the McCarran amendment itself that if that exception were not made and the amendment were finally adopted, it would require the payment of the prevailing rate of wages to all persons employed in the Civilian Conservation Corps and in the camps.

Upon an earlier occasion this morning when I took the floor I pointed out the distinction, to which the Senator from Arkansas has referred, between made work and useful public works. Now, adverting to the amendment inserted on page 3 of the resolution itself upon the recommendation of the committee, we find that there are several classifications of work which fall into the same category as the work under the Civilian Conservation Corps, namely, made work. We have rural rehabilitation and relief in stricken agricultural areas. We have projects for professional and clerical persons. We have the prevention of soil erosion, reforestation, forestation, and then miscellaneous projects. If it were necessary in the McCarran amendment to except the Civilian Conservation Corps from the operation of the mandatory prevailing-rate provision, so that a wage less than the prevailing rate may be paid for the made work in the conservation camps, it seems to me that it is also necessary, if we have in mind the purpose of this resolution, to make an exception in the case also of the other classifications of made work. That, in my opinion, is accomplished by the compromise Russell amendment and was not accomplished by the original Russell amendment.

If it be proper to pay less than the prevailing rate of wages for made work in the conservation camps, as the sponsors of the McCarran amendment have acknowledged by the inclusion of the proviso to which I refer, then there can be no logical criticism of the application of the same principle to all other classes of made work.

It may also be worth while to point out that the primary controversy in this whole matter has not had anything to do with the payment of the prevailing rate of wages upon Government work. The primary controversy was whether or not the rates of wages less than the prevailing rate, when paid under this joint resolution, would reduce the rates of wages in private employment.

Mr. Green, of the American Federation of Labor, came before the Appropriations Committee and there stated explicitly that he was not concerned in the total amount that should be paid to these workers; that he was concerned only in maintaining the rate of wages so that the rates in private industry would not be adversely affected.

The Russell amendment, as it was first proposed, was so drafted that it would be necessary to hold a hearing and to go through a long preliminary investigation before a determination could be had as to whether or not the rates in private industry would be adversely affected. The great gain in the compromise resolution is that it constitutes a declaration of opinion by the Senate of the United States, and, if it is accepted by the House, a declaration of opinion by the Congress of the United States, that the President should use all of his prestige and his power to make certain that the main objective, namely, the maintenance of the standard of wages in private industry, is not endangered.

With this declaration in the compromise amendment and with the repeated assertion of the President that it is his purpose to keep up the rate of wages, it seems to me that we have reached a substantial and satisfactory compromise upon which a complete agreement may properly be had.

Of course, Mr. President, I believe that every possible power of government should be exercised to increase the compensation received by the masses for their labor. I am in entire harmony with the principle that underlies the McCarran amendment and with the object of innumerable State and municipal wage laws. I believe that the payment of the prevailing rate would be generally beneficial. I believe that the payment by the Government of less than the prevailing rate on projects that are of the same kind as those that are carried on by private industry would inevitably have an adverse effect upon the wage structure. But the President does not so believe, and the parliamentary status of this measure is such that it is impossible to pass the McCarran amendment definitely fixing the wages over a veto. Therefore the prolongation of the controversy can serve only to delay the extension of needed work relief to the millions now on the relief rolls.

To me it seems altogether unnecessary and unwise to delay or endanger the relief provided by this bill by pursuing an objective that obviously cannot be attained in this bill.

The President has agreed to the compromise amendment. It lays upon him the obligation to require the payment of rates that will not adversely affect the wage scale. He is committed to that policy. I know that he can be trusted to carry it out.

The compromise amendment affords a substantial gain over the bill as it came from the House. In my opinion, it clearly protects the rates of wages fixed by State and local law. It protects the rates fixed by Federal law. It is, therefore, an advance in labor legislation. I am not disposed to hang back because I cannot get all that I desire, particularly when I know that the law will be administered by a President whose entire record guarantees the belief that he will allow nothing to be done to injure the wage structure of the Nation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee.

Mr. McCARRAN. Mr. President—

The PRESIDENT pro tempore. The Senator from Nevada.

Mr. NORRIS. I call for the yeas and nays.

The PRESIDENT pro tempore. The yeas and nays are demanded, and the demand is sufficiently seconded.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Loneragan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahay	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON] on account of illness.

The PRESIDENT pro tempore. Ninety-two Senators have answered to their names. A quorum is present.

Mr. REYNOLDS. Mr. President—

The PRESIDENT pro tempore. The Senator from Nevada [Mr. McCARRAN] had been recognized and had the floor

when the absence of a quorum was suggested. The yeas and nays were demanded and seconded, and the demand was sufficient; so the yeas and nays are ordered, and the Senator from Nevada has the floor.

Mr. McCARRAN. Mr. President, a parliamentary inquiry. Does the ordering of the yeas and nays mean the close of the debate on this question?

The PRESIDENT pro tempore. The time occupied by the roll call and the ordering of the yeas and nays will not be subtracted from the Senator's time, because it is a matter over which he could have no control. His time starts now.

Mr. McCARRAN. My time starts now? If some other Senator wishes the floor, I do not care to occupy it at this time.

Mr. REYNOLDS. Mr. President—

The PRESIDENT pro tempore. What was the inquiry of the Senator from Nevada?

Mr. McCARRAN. I do not care to have my time start now, if another Senator wishes the floor. I will want to occupy the floor later, but I wish to defer to other Senators who care to be heard. I merely raised the parliamentary inquiry as to the whole situation, and I am glad to be enlightened.

The PRESIDENT pro tempore. The Senator from Nevada was recognized and has the floor. The Chair suggests, if he does not care to occupy the floor at this time, that he ask unanimous consent that the recognition accorded him be canceled.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

Mr. GLASS. Mr. President, I understand the Chair recognized the Senator from Nevada in order that he might make a parliamentary inquiry.

The PRESIDENT pro tempore. Yes.

Mr. GLASS. That does not necessitate the Senator from Nevada taking the floor and making a speech, does it?

The PRESIDENT pro tempore. The Chair will state to the Senator from Virginia the situation which arose. The Senator from Nevada rose and addressed the Chair and was recognized. Then another Senator demanded the yeas and nays; then another Senator suggested the absence of a quorum. Under the rules of the Senate the call for the quorum necessitated an immediate roll call. That call was made. The yeas and nays were then ordered and the Senator from Nevada still has the floor.

Mr. GLASS. But he has the floor in order to present a parliamentary inquiry to the Chair, and not to make a speech.

The PRESIDENT pro tempore. He did not rise originally for that purpose, as the Chair understood.

Mr. NORRIS. Mr. President, I have been trying to propound a parliamentary inquiry for some time. I wonder if that cannot take precedence over someone who wants to make a speech?

The PRESIDENT pro tempore. The Senator from Nevada propounded a parliamentary inquiry. The Senator from Nebraska is recognized to propound his parliamentary inquiry, and that does not subtract any time from the Senator from Nevada.

Mr. NORRIS. I understand that, I think.

Mr. President, I wanted to ask the Chair whether the ordering of the yeas and nays had anything to do with the debate. Cannot debate go on just the same as though they had not been ordered?

The PRESIDENT pro tempore. It is the opinion of the Chair that the ordering of the yeas and nays and the calling of a quorum do not at all change the parliamentary situation in the Senate.

Mr. BANKHEAD. Mr. President, in view of the circumstances, I ask unanimous consent that the recognition accorded the Senator from Nevada be canceled.

The PRESIDENT pro tempore. That was suggested by the Chair. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the Senator from North Carolina [Mr. REYNOLDS] is recognized.

Mr. REYNOLDS. Mr. President, I send to the desk a memorial from the Legislature of my State of North Caro-

lina and respectfully request that it be read, particularly in view of the fact that it interests itself with the subject matter to which I wish now to address my remarks.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

Joint resolution to memorialize Congress to support and pass the work-relief bill now pending

Whereas a bill has been introduced in the Senate of the United States which is known as the "work-relief bill", providing the sum of \$4,880,000,000; and

Whereas it now appears that the construction of the Park-to-Park Highway and other public-works projects in this State are dependent upon the passage of said bill and now "hang in the balance" by reason of the adoption of the McCarran amendment: Now, therefore, be it

Resolved by the house of representatives (the senate concurring)—

SECTION 1. That the house of representatives and the senate hereby memorialize the Senators and Representatives in Congress from North Carolina to support the work-relief bill now pending in the Senate of the United States as proposed by His Excellency the President of the United States.

In the general assembly, read three times, and ratified, this the 12th day of March 1935.

A. H. GRAHAM,
President of the Senate.

R. G. JOHNSON,
Speaker of the House of Representatives.

The PRESIDENT pro tempore. The memorial will lie on the table.

Mr. REYNOLDS. Mr. President, this morning in this Chamber I sat and listened with a great deal of interest to the remarks that fell from the lips of the junior Senator from the State of New York [Mr. WAGNER], and I wish now initially to say that I was impressed with the statement made by the Senator to the effect that the question before this great body at this time is a matter of interest to all the 125,000,000 people of America. It is also my belief that not only are the twenty-some-odd million people who are today recorded as being upon the emergency-relief rolls of this country interested in having this body take immediate action, but I say to you, Mr. President, that every single person in this Nation, in addition to the 23,775,000 on the relief rolls, is interested that this body of the American legislature take action and take action now. Insofar as I individually am concerned, I was ready for another vote on the pending amendment a week or more ago.

At the outset I wish to say that I have no apology whatsoever for having previously voted for the McCarran amendment, and I have no apology to offer now, Mr. President, when I stand here and say that I await with pleasure, with unusual pleasure I may say, the opportunity to cast another vote for the McCarran amendment, because I know that when I cast that vote I shall be casting a vote directed by the dictates of my own conscience, a vote founded upon my better judgment, a vote for the laborers and the toilers of this great America of ours.

My distinguished friend the junior Senator from the State of New York said, "This is by no means a political question." We are in accord, we are in agreement as to that. This is not a political question; this is a question whether or not we are desirous of aiding in the return of recovery to this country, the country for which we have labored these many months; it is a question in which humanity is involved.

What have we before us? We have before us now, Mr. President, a public-works joint resolution and amendments which are creating a great deal of debate and discussion. There are amendments submitted by the junior Senator from the State of Georgia [Mr. RUSSELL] and the junior Senator from the State of Nevada [Mr. McCARRAN]. I beg respectfully the indulgence of this body that I may review briefly these two amendments.

I wish to say, Mr. President, that I am for the McCarran amendment because the McCarran amendment will provide for the laborer and the toiler and the workman in this country not a mere bare existence wage but it will provide for them a living wage. At present people throughout the country who are taken from the relief rolls, and are ob-

taining work on Government projects, are being paid, for themselves and their respective families, there being some 4,500,000 families, a mere existence wage of approximately \$50 a month. In many of those families there are four or five, and even as high as six or seven children, and it is absolutely impossible for such families to live upon that meager figure of \$50 a month. Furthermore, those who are employed by private industry and who are today being paid the prevailing wage will not continue to be benefited unless the McCarran amendment shall be accepted and be made mandatory in the body of the pending joint resolution.

What have we? Let us see about the Russell amendment. I respectfully direct attention to section 6, on page 8, of the public-works joint resolution, which section was originally placed there, according to my information on motion by the distinguished junior Senator from the State of Georgia. It reads as follows:

SEC. 6. The President is authorized to fix the rates of wages of all persons compensated out of the funds appropriated by this joint resolution and may fix different rates for various types of work, which rates need not be uniform throughout the United States.

In the second or present amendment submitted by the Senator from Georgia [Mr. RUSSELL] there is the identical language as that found in lines 1 to 5 of the public-works joint resolution. I read as follows from the amendment of the Senator from Georgia:

The President may fix different rates of wages for various types of work on any project, which rates need not be uniform throughout the United States.

The language in the present amendment is identical with the first paragraph of the amendment offered by the junior Senator from Georgia before the committee giving consideration to the joint resolution. In the first paragraph of the present amendment of the Senator from Georgia we find the following:

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise, by funds appropriated by this joint resolution as will in the discretion of the President accomplish the purposes of this act and not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

This morning on the floor of the Senate I listened to a discussion between several Senators in which it was virtually admitted by those in opposition to the McCarran amendment that there is no real distinction between the provisions of the McCarran amendment and the provisions of the Russell amendment. According to the eminent gentlemen who now stand apparently for the Russell amendment and in opposition to the McCarran amendment, they are not desirous of lowering the prevailing wage or interfering with industry. If that be true, then I ask why will they not accept the McCarran amendment, which makes it mandatory that the prevailing wage throughout the country shall be paid?

I invite attention further to these few words in the Russell amendment:

For the purpose of accomplishing the purposes of this act.

What are the purposes which the pending joint resolution seeks to accomplish? According to this amendment, according to the body of the joint resolution, it is apparent to me that all that is sought to be accomplished by the amendment is to continue on the relief roll those who are now there. I say unhesitatingly that if the McCarran amendment shall not be adopted, in my opinion, we shall continue to have the dole in the future as we have had it in the past. The distinction, in my judgment, between the McCarran amendment and the Russell amendment is that the McCarran amendment makes it mandatory upon those who will administer the measure to pay the prevailing wage throughout the country.

Mr. President, there are today in the United States more than 20,000,000 people who are dependent upon the dole administered by the designated officials of the Government. Of those 20,000,000 people, there are more than 775,000 single

men and women who have registered as being desirous of being given the dole. Those 20,000,000 people represent more than 4,500,000 families throughout the length and breadth of this land. The dole which we have heretofore and which we are now providing for the unfortunate people of our land costs our country, the Federal Government, more than \$58 a second, more than \$3,400 a minute, and more than \$150,000,000 a year. I have heard many Senators give expression to the desire to get our people off the dole and put them upon useful public works in the form of an accepted project. If the McCarran amendment shall not be accepted, the result will be nothing more or less than a continuation of the dole, from which we have been endeavoring to get away for some time, because we are desirous of seeing erected upon the ground something in the form of great public structures rather than of continuing to dole out so much money each month to the unfortunates of the country.

Mr. President, before a man can possibly get work it is necessary for him to go personally to the relief bureau and there advise the party in charge that he is destitute; that he needs funds with which to maintain himself. When he makes that statement to the agent of the bureau, there is assigned to him what is known as a "case worker." That case worker then goes out to ascertain whether or not he made a true statement when he told those in charge of the bureau that he was destitute and in need of funds and aid. After the truthfulness of his statement has been established, he is regarded as being on the relief roll; but before he can even then procure work it is necessary and incumbent upon him to secure a slip denoting the minimum amount that is necessary for his support, and go to a public project and present his slip, where he will be given work if the work is available.

Under the terms of the pending joint resolution, the average earning can be only \$50 per month. As I said a moment ago, there are four or five in each family. Fifty or sixty dollars a month will do what for a family of that size? It will provide them with some food. It will probably provide them with a little rent money. The ones who have been working previously would have to work under the terms of the joint resolution at \$50 a month. That is an amount merely sufficient to enable them to exist, with not one single penny for the purpose of buying school books for the children or buying an extra pair of shoes or a suit of clothes. On the other hand, if we pay to these deserving unfortunate people throughout the country the prevailing wage in those States wherein such laws have been enacted, they are then given an opportunity to earn a little more money. Someone on the floor of the Senate stated yesterday, if payment of the prevailing wage is brought about and made a part of this enactment, it will cost the Government \$1,000,000,000 more.

Mr. TYDINGS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Maryland?

Mr. REYNOLDS. I yield.

Mr. TYDINGS. As I understand, there are in round numbers about 10,000,000 unemployed in the country?

Mr. REYNOLDS. Approximately that number.

Mr. TYDINGS. Let us assume the number is 10,000,000 for the sake of our discussion. The joint resolution contemplates employing 3,500,000. Which ones of the 10,000,000 are to get the 3,500,000 jobs and what is to become of the 6,500,000 not provided for?

Mr. REYNOLDS. I am very happy, indeed, that the Senator from Maryland directed that inquiry to me. According to my understanding, under the terms of the joint resolution those who will secure employment on public-works projects as the result of this \$4,880,000,000 appropriation will be, first, those who have registered on the relief rolls. Before they can secure employment it is necessary, as I stated briefly a moment ago, that they present themselves at the public-relief bureau and make a statement as to their needs.

After it is ascertained by a case worker whether or not he is in destitute condition, if his statements are found to be true, his name is recorded. Then before he can secure employment he must procure from the agent in charge of that bureau a slip setting forth the amount of money he is en-

titled to earn each month by his labors for the purpose of feeding his three or seven children or whatever the number may happen to be. After he carries that slip to a public-works project, as at present, he can only earn such an amount as is required for the members of his family, which amount may in some instances be \$60 a month, but at present he is only entitled to earn about \$48 a month. At the end of each month the agency gives him an additional check for \$12 to make up the difference between \$48 and the \$60, which he must have, according to the relief agency, to support and provide for his family.

In further answer to the question of the Senator from Maryland as to what is going to become of the 7,000,000 people, there being, as he stated, 10,000,000 approximately unemployed in the country today, under the joint resolution we can hardly provide employment for more than 3,000,000. Seven million are left unprovided for. Those 7,000,000 cannot be employed upon public-works projects unless a larger appropriation shall be made and more projects shall be accepted.

I heard it stated by one of our colleagues on the floor of the Senate just yesterday that the Secretary of the Interior is in receipt of applications for public projects totaling more than the enormous amount of seventeen thousand million dollars.

The very reason why I favor the prevailing wage, I will say in answer to the question of the Senator from Maryland, is this: The prevailing wage will not cost the Government one more penny than it costs now; and under the prevailing wage there can be done only so much work as will liquidate, so to speak, the amount that a man has to have for the members of his family. If he works only 5 days a month, that will give him 20 days in which to seek employment in some of the private industries of the country.

I know as well as does the Senator from the State of Maryland that the \$4,000,000,000 he mentioned will not by any means take up the slack of the entire 10,000,000 unemployed in the country today.

Approximately 23,500,000 people are on relief roll, which includes members of families. Over 4,500,000 families on relief roll are represented in the twenty-odd millions, and of this number over 700,000 single persons are included. Those poverty-stricken securing aid from the Government—direct financial aid or work-relief aid—include professional men and women, such as lawyers, doctors, college professors, school teachers, mechanics, and laborers.

The President's program calling for the appropriation of \$4,880,000,000 for work relief should be passed with the McCarran amendment.

It will permit the administrators of this emergency works measure to pay those on the relief rolls the prevailing rate of wages that are at present being paid in practically all the communities or sections where relief work is being operated.

It will enable the skilled workman to secure employment through the relief works division at his trade. The same thing is true of the professional man and the clerk who are obliged to register on relief works to keep from starving to death.

The McCarran amendment does not alter by one penny the amount of money the unemployed worker is to receive per month. That sum is allotted to the applicant for relief by a case worker. And the amount he is allowed per month depends upon the number of people who are dependent upon him for support.

Under the present arrangement or system of the Federal emergency relief a man who is single receives an average of only \$14 per month, providing he proves that he is poverty-stricken and cannot secure any financial aid from any other source but the Government.

If in good physical condition, he must work for this amount of money—\$14—each month while on the relief rolls.

If the McCarran amendment shall not be adopted, a man who is on the relief rolls and is a carpenter by trade will have to work for a low wage scale to earn the \$14, or at the average rate of 40 cents per hour. In other words, he will

have to work 35 hours to receive the \$14. His life's training, his life's work, is of no value to him; his station in life is lowered. If the McCarran amendment should be adopted, the administrators would be able to provide him with a carpenter's job, and he would receive the rate of pay that prevails in the district wherein he resides. This pay varies in different localities and ranges from 80 cents to \$1.25 per hour. It is plain to see that this would not increase his budget or allowance, but it would permit the skilled man to earn what he is entitled to at his trade during the hours he worked in earning the budget allowed him. Naturally, the same condition holds true when a man receives a greater budget allowance from the case workers due to the fact that he is married and has several dependents.

If a man who applies for relief is given a ticket calling for \$50 per month, and this man happens to be a carpenter, unless the McCarran amendment shall be adopted, he will be required to work about 130 hours during that month to earn that amount of money. That is about as many work hours as there are in the month under the present set-up. It is easy to see that he will not have any spare time to hunt for any additional employment, and certainly he will not have any time to do any additional work if he could find it.

The result will be that the Government will have to furnish his family with orders for food and clothing in addition to the amount of money he will receive for his labors.

Everyone who is conversant with conditions knows that under the rules and regulations which exist at present the families who are on relief rolls receive an allowance which barely enables them to keep from starving; they do not receive a living wage.

Millions of people have to be given food and clothing orders and rent checks by the Government to supplement the meager sum at present allowed them.

The McCarran amendment will enable the skilled man and the professional man on the relief rolls to have some time left during the month in which they will be able, through their ambition and ability, to seek employment in private pursuits to earn additional pay so that they may furnish their families with some of the necessities of life, even if they have to forego all the comforts.

If the McCarran amendment shall not be adopted then I predict the Government will have to continue the obnoxious dole in the form of food, shelter, and clothing as a supplement to the little cash work which will be handed out at the low rate of pay.

The McCarran amendment cannot by the furthest stretch of the imagination injure or interfere with private industry.

Under the present system, as I have tried to explain, the amount that an applicant receives is limited. Nobody is going to leave a regular job with regular pay to take a part-time job with the Government. And one must certify to the fact that he is a subject for relief before the case worker or investigator will recommend him for relief and place his name on the relief rolls.

We have billions for war, billions to destroy life, billions for destruction of property. Let us spend billions to save life in America. Let us spend billions to create new wealth and save humanity.

We poured billions into the palms of foreign countries while bands played and soldiers paraded and sacrificed their lives.

Let us spend billions, if necessary, to nourish our children who are hungry, and clothe and shelter our unfortunate fellow men.

If the 100,000,000 Americans who still have employment and some pleasure and comforts in this trying life knew and understood the conditions as I do, they would rise in the formation of a great army and declare war on poverty; and that is what this works measure really means. It is the opening shot in the war on poverty.

The adoption of the works joint resolution with the McCarran amendment will bring new hope and new life into the homes of millions of real honest-to-goodness Americans who happen to be victims of this industrial depression. They are not to blame. These millions are looking to the Government

for a helping hand. They need a new start. That is all the prevailing wage rate gives them. It does not give them full-time work at a high wage rate. Everybody should understand this by now.

THREE POINTS TO M'CARRAN AMENDMENT

First. If the McCarran amendment shall be adopted, it will not entail the outlay or expenditure of a single additional dollar over the amount asked for by the administration, nor will the period in which the money is to be distributed or spent be abbreviated or shortened. This works-relief program will cover a 2-year period and the McCarran amendment does not change this policy or set-up.

Second. The policy of putting men and women on work relief that will be pursued through the adoption of the McCarran amendment will not injure, interfere, or impede private industry. Not by the broadest stretch of the imagination can such a fear materialize or come to pass. There are over 10,000,000 idle workers in the country. Private industry cannot absorb them at present, under existing conditions. Government work relief only furnishes the unemployed or idle individual part-time work each month. Who is going to be so foolish as to leave a whole-time position or job or employment with a private industry or business or trade to take a few days' work a month with the Government? If any person who has permanent or steady or regular work should become so foolish and should finally get on the relief rolls—and he would have to certify or state or claim that he was impoverished before he could obtain a relief authorization card entitling him to work relief—private industry would not find it very difficult to replace him with someone out of the ranks of the 10,000,000 unemployed.

Third. If the McCarran amendment shall not be adopted the dole will remain in existence. It cannot be discontinued because the worker on Government relief will not have the time to do any additional work during the month thereby enabling him to earn extra money that he may require for food and clothing. It must be remembered that a man is allowed only a sufficient amount of money each month, for which he must work, merely to prevent him and his dependent family from actually starving.

He is allotted a minimum sum or budget each week, determined by the number of dependents who are dependent upon him for support.

The PRESIDENT pro tempore. The time of the Senator from North Carolina has expired.

Mr. WALSH. Mr. President, I have a particular interest in the problem now before the Senate, due to the fact that I have spent some 9 months in presiding over a subcommittee of the Committee on Education and Labor which made an investigation into alleged abuses upon the part of contractors and public officials intrusted with the obligation of enforcing the prevailing-wage law and regulations.

For the information of the Senate, I desire to say that the Public Works Administration has very properly, through Executive orders and regulations, provided for the payment of the prevailing wage upon all public-works projects; and, of course, we are all familiar with the Bacon-Davis law, which requires the payment of the prevailing wage on public buildings. So we are confronted with the question of whether or not we are now going to depart from the policy which has been maintained by our Government up to date of providing for the payment of the prevailing wage on all public projects.

For the information of the Senate, I will state that the complaints alleging violations of the prevailing-wage schedules have been exceedingly numerous, and have come from every part of the country. To date, I think, 471 complaints have been lodged with the committee. We have investigated many of them; we have heard over 100 witnesses; and we found that in many instances, notwithstanding the activities and the vigilance of the administrative officers of the Federal Government, there have been an exceedingly large number of violations of the prevailing-wage schedules. So we had, in the earlier absence of proper enforcement, a sustenance or competitive wage, in many cases, rather than the prevailing wage. Indeed, in some cases the violations disclosed wages as low as 50 percent of the prevailing wage.

My experience in that work has led me to the conclusion that it would be most unfortunate to change our policy and to abandon the prevailing-wage provisions of existing law and of existing regulations on public projects.

The controlling reason, however, which has influenced me to the position I formerly took and which I now take is one that has not yet been pressed. I desire to call it to the attention of Senators, because I think we are entering upon a course that may involve disastrous consequences leading to future discontent and unforeseen expenditures unless we proceed carefully.

We are all in favor of appropriating all the money that may be necessary for direct relief. There is no division of opinion in this body upon that question. I am in favor of appropriating all the money that may be necessary for public works that will tend toward the restoration of private industry in this country. After all, all that we are doing, all that we have been attempting to do under the new deal is in vain unless the ultimate goal is the stimulation and development of private business, putting men back to work in private occupations. All of us must concede that there is a limit to the Government pay roll; and because public works do look in the direction of stimulating private business, "priming the pump", buying supplies from private enterprise, and putting unemployed people to work I favor them, and I even favor the amount suggested to be appropriated in the pending joint resolution.

But, Mr. President, once we accept the doctrine that the Government owes a job to those in necessitous circumstances, now on the relief rolls, rather than to those temporarily unemployed, I ask when and where will we ever stop? I ask, Senators, when will we ever stop appropriating \$4,800,000,000 each year, once we say that the Government is going to provide through a job a sustenance wage for the needy?

Yes; let us appropriate all that is needed to sustain the needy. Every government, Federal, State, and municipal, every human being, in common Christian charity, owes it to his fellow man who is in want, to give him food and shelter; but he does not owe him a job. He does not have to bring his neighbor into his home and hire him as a servant or employ him as a chauffeur. Once we take the position that the needy are entitled to a Government job we have undertaken the expenditure of vast sums of money, and no man knows the limit to which we shall be compelled to go.

There is a distinction between money appropriated to provide public works for those temporarily unemployed and money appropriated for public works for the needy. Money appropriated for the unemployed means that the efficient man who is unemployed, the capable man, the man who can do an honest and a good day's work, shall have a job. Money appropriated for work for the needy means that whether a man is efficient or inefficient he shall have a job, and he shall have it against the temporarily unemployed efficient man who is only a step from need. What we are really doing here is to push aside the unemployed man who has a family, who has saved a little money, and is still willing to carry on, and say to him, "You cannot have a public-works job; the needy man must have it"; and send the temporarily unemployed man of whom I have just spoken into the ranks of the needy. I am for jobs through public works for both the needy and the unemployed. That is the present system under the prevailing wage.

I think the situation is a very serious one; and the most serious thing is the possible continuance of the proposed system. I ask Senators how they are going to vote against another \$4,000,000,000 bill next year; and, in that event, for what purposes will the money be appropriated? Not for direct relief to the needy but for jobs for the needy; putting the needy to work; putting the inefficient at work, regardless of possible incompetency, because they are in need of a job; giving them, not sustenance, not food and clothing, but a job! Does it not mean that we are going to have two appropriation bills—one for direct relief and another for jobs for those on relief, as distinguished from jobs for the unemployed?

Mr. President, I am very much alarmed at that aspect of this question. If we enter upon this course of action, I do not see how we can ever stop. Why not begin with post offices and take future postal employees from the needy rolls? Is not the Post Office a permanent branch of the Government? Are not Public Works a permanent branch of the Government? Is this not a Government activity for which we annually appropriate money? Are not these buildings to last forever? Are not these highways permanent? Are these works temporary? Of course not! They constitute a permanent work, a permanent service, a permanent development of the resources of the Government.

I, for one, refuse to abandon the principles we have maintained, and set an example to private employers by paying a different rate of wage than the prevailing wage to those engaged in Government work of a permanent nature and a permanent character. What I am arguing for is a clear distinction between appropriations for direct relief and appropriations for constructive permanent public works. Let us not link the two together. Furthermore, the appropriations necessary to give jobs to the needy will be tremendous. The public-works activities of the Government are just as permanent and just as substantial as the Postal Service or any other branch of the Government. This bill is in substance either a public-works bill or a relief bill. Manifestly it is not the latter. Consequently, considered as a public-works measure, it should guarantee to uphold, not tear down, the wage scale of the Nation.

I repeat, I will vote whatever money may be necessary to aid the construction of public works as means needed to restore private industry. We can stop public-works appropriations, carried on on that basis, next year or the year after. We can never stop public works when they are inaugurated for the purpose of giving jobs to the needy. That is the outstanding issue here. It may be necessary, if our funds become exhausted or greatly reduced, to abolish public-works projects, but we can never abolish direct relief or relief jobs once committed to using public works for that purpose.

I submit these suggestions for the consideration of the Senate. They are the reasons why I intend to vote again as I have heretofore voted. I do not accept the doctrine that any government owes a job to anybody. It does owe food, it does owe clothing, it does owe care, it does owe nourishment, it does owe everything necessary to preserve health; but the moment we embark upon the policy of saying that our States and our cities and our counties shall turn over to the needy all the road-building and other activities that they are carrying on as public activities, we are adding to the line of the unemployed by dismissing from employment those who are only one step from the line of the needy.

Perhaps my reasoning is imperfect, but those are my views. I feel them very strongly, and that is why I propose to continue to vote as I have voted. Though I am supporting the relief-works bill I regret not to be in accord with the views of the President on this particular policy in that bill.

Mr. President, I ask leave to have inserted in the Record, in connection with my remarks, a brief report made by me as Chairman of the Committee on Education and Labor in regard to the activities of the subcommittee of that committee dealing with the prevailing-wage investigation.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

The Committee on Education and Labor, authorized by Senate Resolution 228 of the Seventy-third Congress, second session, to investigate the relationship between employees and contractors on public works, submit the accompanying preliminary statement and report:

First, the more serious form of abuses indicated by complaints coming to the attention of the committee is presented by the so-called "kick-back" practice. This includes "underpayment", "short change", and other devices employed by contractors to pay their workers less than the prevailing wages as prescribed by the Bacon-Davis law and the Public Works Administration regulations.

To date, some 471 complaints from workmen have been acted upon by the committee staff. Of these, 50 cases were presented

before the committee in public hearings and the testimony of about 100 witnesses was received. This testimony has been printed in parts I and II of the hearings under authority of Senate Resolution 228.

Recommendations for legislation providing machinery for the enforcement of existing laws requiring the payment of prevailing wages on Government construction will also be contained in the report, since it is quite apparent from evidence disclosed by the committee that prevailing-wage laws have been and are generally disregarded and violated by contractors and some Government departments.

Included in this report there will also be tentative drafts for proposed and recommended legislation.

Mr. JOHNSON. Mr. President, we have just listened to as fine an exposition of the philosophy of the question that is before us as it is possible to present. I am delighted with the speech which has just been made by the Senator from Massachusetts [Mr. WALSH]. He has pointed with a singular clarity to exactly the reason why the policy which long ago was declared by labor, and the policy, sir, which we have written into the law of the United States, and the policy, too, which we have written into the laws of more than twenty-odd States of this Union, should not be destroyed by the United States Senate today.

This policy long ago, by those who are interested in labor, was determined upon, and then, following their determination, they presented their conclusions, and some of the rest of us believed that it was a policy that was essential for the preservation of the one thing that distinguishes labor in this country—a living wage. When they thus presented the matter to the Congress, we were not slow to adopt the policy which they themselves long ago had determined upon.

Sirs, one would have thought in the last couple of weeks, to read the great press of the United States and to read some of the columnists, that we here, in voting the McCarran amendment, had done something so iniquitous that never before had it been thought of by legislators in this land. Not so. In recent years we have written it into the law. In recent years we have written it into the legislation that we most cared for, and nearly every State in the Union today has done just that thing.

Time does not permit me to read all of such laws in force, but I refer to one or two of them so that they may be in the RECORD, and so that the chambers of commerce which have been prodded into sending propaganda to Members of this body may understand that they have in their States the very law for which we are contending here, and which we long ago wrote into the statutes of the United States of America.

In the Seventy-first Congress, in relation to public buildings, we wrote a provision into the law that every contract of a certain character should—

Contain a provision to the effect that the rate of wage for all laborers and mechanics employed by the contractor or any subcontractor on the public buildings covered by the contract shall be not less than the prevailing rate of wages for work of a similar nature in the city, town, village, or other civil division of the State in which the public buildings are located.

We wrote that into the law. No chamber of commerce, no kept newspaper, at that time said to us that we were writing into law some bolshevik or anarchistic or some other kind of destructive enactment that would mean ruin unto the people of the land, or ruin unto those engaged in toil.

We took such care when we passed the Tennessee Valley Act, when we passed the celebrated Muscle Shoals law, that we wrote into it the provision that "all contracts to which the Corporation is a party and which require the employment of laborers and mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other projects shall contain a provision that not less than the prevailing rate of wages for work of a similar nature prevailing in the vicinity shall be paid laborers or mechanics."

I am very glad to say that the propaganda that was attempted from the State from which I come consisted of wires from a few chambers of commerce, and from them alone, and some of us might feel, in respect to some of them, that we feared the Greeks bearing gifts. But in the State from which I come we find this on the statute books:

Not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for legal holiday and overtime work, shall be paid to all laborers, workmen, and mechanics employed by or on behalf of the State of California, or by or on behalf of any county, city and county, city, town, district, or other political subdivision of the said State, engaged in the construction of public work, exclusive of maintenance work. Laborers, workmen, and mechanics employed by contractors or subcontractors in the execution of any contract or contracts for public works with the State of California, or any officer or public body thereof, or in the execution of any contract or contracts for public works with any county, city and county, city, town, township, district, or other political subdivision of said State, or any officer or public body thereof, shall be deemed to be employed upon public works.

Mr. President, I read that as the kind of statute which exists in some twenty-odd States of the Union, and a pamphlet containing them is on the desks of Senators if they care to look at them.

We have, then, first, a principle, a principle which subsequently made itself felt in its justice and in its necessity in enactments by twenty-odd States of the Union, and in substantive law passed by the Congress of the United States.

Now, it is said to us that there is a difference because the joint resolution before us is a relief measure. Not so. If there ever could be a time when we should preserve that which has been won in behalf of humanity, it is a time like this, when there is distress and when there are destitution and want in the land. It is now above all times that the United States of America should not lower its standards and offer an excuse for those who have little excuse for lowering theirs. So it is that some of us insist upon the McCarran amendment.

Today what do we see? An old man like myself perhaps may be pardoned for some confusion and for some perplexity. I do not grasp the distinction, which has been described, that confronts us now. I have heard it said upon this floor by one of the sponsors of the compromise amendment that that amendment presents exactly what the McCarran amendment presents. I have heard that sponsor for the amendment state directly, in response to a query of mine, that the question of a subsistence wage is eliminated by the compromise amendment. It is said, therefore, upon this floor—and the RECORD will bear me out in that regard—that the two amendments are alike in the first place, and, in the second place, that the question of a subsistence wage no longer enters into the controversy at all.

Then, in the name of reason and of logic, what have we here? We have the statement that if one of these amendments shall be adopted, the joint resolution will be vetoed, and the statement that if the other amendment be adopted, the joint resolution will be enthusiastically accepted; and upon that we are to vote today and to determine which—the one that will be vetoed or the one that will be accepted, both being alike—shall be passed by the Senate. It seems to me, when we talk of wasting time and utilizing this body for the purpose of debate and the like, that we are very nearly in that aspect. The very absurdity of the statement refutes it.

I neither can nor will I believe that that explanation is accurate. There must be some difference; and the difference, if it exists at all, is the difference in the fundamental principle that is involved in this particular controversy. If that is the point of difference between gentlemen on the one side and those on the other, if it is the fundamental principle that is involved, there is not any cushion that can be given to gentlemen to fall upon in this particular dispute that will enable them to escape the entire consequences of the vote they cast.

Mr. President, I look about me and I see here gentlemen of pulchritude, gentlemen of sartorial elegance; I look at them, and there is ever another picture before me. I can see the lined faces, the lack-luster eyes, of the men and the women of this land who are without food and without work. I can see those who have little to subsist upon, and who require a subsistence that will enable them to live, and to live as American citizens; and in the last analysis the question is, What will you do? Will you give what you know is less than a living wage to those who require it—those who, with-

out their fault, are without employment and are on relief rolls; those who, from no wrong of theirs, find themselves in the anguished situation today, the most tragic there is in human life, of being unable themselves to meet life as we meet it? Will you say to them, upon a policy that will not give to your brother, in reality, a living wage, he must take it because a compromise was necessary upon this particular thing and a compromise has been presented?

Mr. President, I am for the McCarran amendment. I yield to no man upon this floor in admiration—I may say in affection—for the President of the United States; but that is not the question here. There confronts us a question which involves common humanity. It is a question which involves the activity and the independence of every man upon this floor, the exercise of his rights, and the observance of his oath; and exercising his right, exercising his independence, true to his constitutional oath, he ought to vote as he thinks and as will aid humanity all over this land.

Mr. CONNALLY. Mr. President, I am always entertained and instructed by the Senator from California [Mr. Johnson], and I always feel very uncomfortable when I find myself in disagreement with him; but throughout this debate those who are advocating the McCarran amendment have sought to maneuver those of us who have voted against it into the position of appearing to oppose labor and of being against maintaining a fair-wage structure.

For myself, I desire to say that on a previous occasion I voted against the McCarran amendment, and I expect to vote against it again today, but I deny that by such action I am voting against the real interest of labor, and I deny that I am voting for anything which will tend to destroy the wage structure, or will militate against the interests of laboring men. The whole measure is for labor. We are voting \$4,800,000,000 from the Treasury and from the taxpayers to help unemployed labor. How can such a course be construed as evidencing anything except a deep concern for labor?

The Senator from California, in his brilliant peroration, pictured the unemployed in America and contrasted them with the well-groomed Senators on the floor.

Mr. President, there are three and a half million men to whom we desire to give employment under this joint resolution. Under the plan of the Senator from California only 1,750,000 of them would be employed, or approximately one-half of three and a half million. Why? Because at a \$50 per month wage we can give employment—and with employment, food and raiment—to these three and one-half million men and their families, whereas at \$100 per month we can only employ half so many. So the Senator from California is only sorry for half of the unemployed. He is willing to give the existing wage to one-half of three and a half million men, but he is willing for the other one-half of the three and a half million to go unemployed, and go on the relief roll, or else starve.

Mr. President, let us see if the Russell amendment will reduce the wage structure. I am in favor of labor legislation. My record on this floor will prove that whenever I have thought it was not doing violence to the general interest, I have voted for favorable wages and for favorable laws for labor. I challenge reference to the record in that regard.

Let us see if the Russell amendment will in fact reduce the wage level.

Mr. McCARRAN. Mr. President, I do not wish to interrupt the Senator, and I hope I will not break the thread of his thought, but I should like to know where the Senator from Texas gets his idea of \$100 a month, because in the Committee on Appropriations of the Senate the wage was fixed as an approximate wage of \$50.

Mr. CONNALLY. Mr. President, I said \$50 a month, assuming, though, that the prevailing-wage structure would average \$100—

Mr. McCARRAN. What wage structure?

Mr. CONNALLY. The existing-wage structure, on the average.

Mr. McCARRAN. Where did the Senator get that idea from, if I may ask with propriety?

Mr. CONNALLY. I do not think I got it from the Senator from Nevada. Perhaps it is just my own estimate of what would be the average-wage structure. Does the Senator from Nevada take issue with me on the proposition that twice as many men can be employed at \$50 a month as can be employed at \$100 a month?

Mr. McCARRAN. No, Mr. President.

Mr. CONNALLY. That is the idea I advanced.

Mr. McCARRAN. I will give the Senator a little illustration. Ten men can do the same work in 1 day that one man can do in 10 days if the scale of wage is the same.

Mr. CONNALLY. Yes.

Mr. McCARRAN. And I propose to employ 10 times as many as would be employed under the Russell amendment.

Mr. CONNALLY. The Senator from Nevada says he will employ these men at the existing wage, but he will not employ them as much. In other words, they will work 2 days and be idle 5 days. That is an example of the efficient kind of work we would get. If we had a job which we were trying to do, we would have to switch our men three times a week, and we would pay those men twice as much, or at least we would pay them substantially more than we would pay if a man worked for us continuously the 5 days in the week.

Mr. President, Senators say that such a plan as we propose is going to destroy the wage structure. Has it destroyed the wage structure? Have we not for more than 2 years, or approximately 2 years, had the C. W. A. and the relief roll, men drawing mere subsistence relief wages, men working on the C. W. A. at less rates than the wage structure? Has it destroyed wages? The answer is, It has not destroyed wages. Wages have been maintained.

Mr. McCARRAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Texas yield for a question? Under the rule, if there is objection a Senator cannot yield except for a question.

Mr. CONNALLY. Mr. President, how much of my time remains?

The PRESIDENT pro tempore. Thirteen minutes.

Mr. McCARRAN. Mr. President, I desire to propound a question.

Mr. CONNALLY. I yield to the Senator from Nevada.

Mr. McCARRAN. Does not the Senator from Texas know, however, that P. W. A. has maintained the wage scale in every community where it had a project?

Mr. CONNALLY. Oh, I know that they worked men 2 days a week or 1 day a week, and probably for that 1 day of the week maintained the wage scale; but what was the income of the men who worked? I may say that the Senator from Texas voted for the Bacon-Davis law, as I believe it was called.

Mr. President, which is the greater threat to the employed, which is the greater threat to the wage structure—three and a half million idle men with no jobs, with no wage structure, with no income at all, or three and one-half million men drawing \$50 a month, we shall say, but drawing enough to live, drawing enough not to put them under that tremendous urge of strike-breaking, we will say, that desperate state that is not only a threat to the wage structure but is a threat to the whole body of the employed?

Three and a half million men who are idle and who want to work not only constitute a threat to the wage structure itself but they constitute a threat to every man who has a job, and I challenge Senators to deny the statement.

We desire to remove that threat. We desire to remove from the ranks of the unemployed three and a half million men not in technical trades. Many of these jobs will not be highly technical. I dare venture the assertion here and now that most of the jobs under this joint resolution will be non-competitive jobs. I mean by that they will not be jobs which will compete with the highly technical laborers now employed in the industries and in the activities of American life.

Mr. President, we are trying to give these men work instead of the dole. The Senator from Massachusetts [Mr. Walsh]

said—and I always like to hear the Senator from Massachusetts—that the Government did not owe any man a job. That is sound. I agree with it. But in the next breath the Senator destroyed the value of his observation when he said that, while the Government owes no man a job, the Government does owe every man food and shelter and clothes and comfortable surroundings.

I cannot go that far with the Senator. In other words, there would be no use of having jobs if the Government is under the duty of supporting every citizen, feeding him, clothing him, housing him. Where is the incentive of the citizen to work, where is the incentive of the citizen to toil and to accumulate, then? I deny the philosophy that the Government owes every man a living. If we should establish that doctrine in America, instead of 10,000,000 unemployed we would have 25,000,000 unemployed.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Massachusetts.

Mr. WALSH. Did I not state, at least inferentially, that I was applying that doctrine to those in need?

Mr. CONNALLY. Many will be in need if the Government is going to feed them and clothe them forever.

Mr. WALSH. I certainly adhere to the doctrine that no government worthy of the name can allow anyone to starve or to die from exposure because of nakedness.

Mr. CONNALLY. I grant the Senator that. Since the Senator makes that observation now, I must have placed too broad an interpretation upon his language. He says the Government owes the citizen that. I do not think the Government owes it to him, but I think a great, just, honest government, of course, will not permit its citizens to starve.

Mr. WALSH. I will go a step further. So long as there is any money that can be reached by taxation, no one may be permitted by a government to starve.

Mr. CONNALLY. I assume, of course, that we shall get the money from taxation. I do not want to misinterpret what the Senator said.

Mr. GORE. There is no other way to get it in the long run.

Mr. CONNALLY. The Senator from Massachusetts is willing to feed the unemployed man, he is willing to clothe him, but he will not let him work. I agree with the Senator in part. I am willing to feed him—

Mr. WALSH. If he is unemployed, he could work, but he would not have any preference because he was in need. He would be like every other unemployed man and would take his chances.

Mr. CONNALLY. The Senator from Massachusetts would feed him, would clothe him, would house him, but he would not let him work unless he worked on the union scale; he must not hit a lick of work unless he goes out and works on the union scale.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. Assuming there is an obligation on the part of the Government either to feed or clothe or shelter the unemployed, or to provide work for them so that they may support themselves, which is the greater obligation—the obligation to find work for them or merely to feed them in idleness?

Mr. CONNALLY. Of course, I shall say to the Senator from Kentucky, whether it is an obligation or whether it is merely the impulse of a great and good Government, the most natural, the most useful thing the Government can do is to give the man a job instead of giving him a dole. You thereby do not destroy his morale, you do not destroy his initiative, you do not destroy his ambition, you leave him on his hind legs standing up as a man, and you take him out of the miserable line of those who live upon the charity of the world. That is what you do for him.

Mr. President, when it comes to making those citizens of ours who are unemployed either beggars, or putting them on the relief roll, the sorry objects of charity, or giving them a job where they may stand up and look the world in the

face, with at least the belief that they are earning their way, I expect to vote to give a man a decent job.

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McGUIRE in the chair). Does the Senator from Texas yield to the Senator from Nevada?

Mr. CONNALLY. I yield to the Senator.

Mr. McCARRAN. Before the Senator concludes, I hope he may deal with the same question which I propounded to the learned and able leader of the majority, and that he may distinguish between the "prevailing wage" and the "going wage", as those two terms are used. I think it would be most enlightening if he would do that.

Mr. CONNALLY. I have only a little time, and I do not care to divert my other thoughts to that question. The Senator will have 20 minutes, in which I am sure he can enlighten us on the difference between the "going" and the "coming" wage. [Laughter.]

Mr. President, much has been said about paying a wage on the public works smaller than the prevailing wage. Back of that, of course, is the philosophy that what we are trying to do is to give temporary employment to the man who is unemployed under such conditions as will make him desire to secure normal private employment. If we create a Government job, and surround it with all the attractive qualities that the man in private industry enjoys, where is the urge for that man ever to get off the public pay roll? If, however, out yonder in the prospect he sees busy factories, with men who are receiving higher wages than he is receiving, there will be an ambition and a desire on his part to get off the public charity roll, as it were, because, in a sense, we are merely veneering the character of work proposed to be provided. It is made work; it is not work that the Government imperatively needs or requires tomorrow; but we are using the device of giving him employment temporarily under such conditions as will, if he has anything of ambition in him, if he has anything of efficiency in him, if he has any desire to improve the condition of himself and his family, make it desirable for him, at the earliest moment to say, "I want to get off this roll and get more money and more wages over yonder in normal employment."

Mr. President, America will never return to prosperity and will never attain that recovery for which we are all desirous until the unemployed shall be integrated back into normal employment. Prosperity will not be obtained by measures which merely provide governmental doles and governmental work. This measure in itself will not bring back prosperity. It is merely intended as a bridge, a temporary structure, over which the unemployed may cross to permanent jobs—not permanent Government jobs, but permanent jobs in the mills and in the factories and in the mines and in the business institutions of the land. That is why we should not require a higher rate of wages for this kind of work. However, the Russell amendment does provide that in the case of permanent Government works, such as buildings, which are the improvements we need, which are permanent, not temporary, which are not made work and are not designed simply to give a man a job in order to keep him off the bread line, there shall be paid the prevailing wage in order to protect those who are engaged in those callings in private industry.

Mr. President, in conclusion I want to call the attention of Senators to the language of the President's letter, and I want to say that I am voting against the McCarran amendment not simply because the President is opposed to it—that is a mighty good argument, I admit—but I am opposed to it because I think the President is right. What does the President say he proposes to do? In his letter, on page 2393 of the RECORD of February 21, he says, in conclusion:

I think that the record of this administration has demonstrated that in the administering of this legislation I will not permit anything—

"Not permit anything"—

to be done that will result in lowering the wage scale of the Nation.

The Russell amendment is so drawn as that it not only respects the views of the President but it makes it his duty so to fix and so to administer the wage scale under this proposed legislation as to protect the existing wage in private industry.

Mr. President, of all the things which President Roosevelt has done during his term, there is nothing more outstanding than what he has done for American labor and the American laboring man. With this expression of his own intention, with the solemn injunction in this amendment, can anyone believe that the President of the United States would ever employ the power granted to him by the pending legislation so as to break down the permanent wage structure of America? I do not believe it, and other Senators do not believe it.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. BORAH. Mr. President, we have before us for consideration two proposed amendments to House Joint Resolution 117. One is known as the "McCarran amendment", having been submitted by the Senator from Nevada [Mr. McCARRAN], and the other is known as the "Russell amendment", having been submitted by the Senator from Georgia [Mr. RUSSELL]. The controversy now seems to be over the question of whether there is any difference between the McCarran amendment and the Russell amendment in the very vital matter of maintaining the prevailing wage.

The Senator from New York [Mr. WAGNER], who opened the debate for the McCarran amendment some days ago, took a very decided stand in favor of that amendment, for the reason, as he said, that it would maintain and preserve the prevailing wage in the country, and he regarded that not only as in the interest of labor but as in the interest of the people of the United States generally. He is now supporting the Russell amendment.

During the course of the debate this morning I asked the Senator from New York this question:

Is it the opinion of the Senator from New York that the amendment of the Senator from Georgia will maintain the prevailing wage in the country?

Mr. WAGNER. That is my opinion.

Mr. BORAH. Then, what is the difference between the two?

Mr. WAGNER. As I said before, there is substantially no difference except, to be perfectly candid, the amendment proposed by the Senator from Georgia will have the approval of the President and the so-called "McCarran amendment" we have been told upon authority, will encounter the Presidential veto.

Mr. BORAH. I do not understand why an amendment which means exactly the same thing as that which the President will approve will be vetoed, if it does mean the same thing.

Mr. WAGNER. I am giving the Senator my opinion as to the effect of the pending compromise.

Mr. President, I do not at this time, and I never do in this body, challenge the motives of Senators in the casting of their votes. The intellectual process by which the mind comes to a conclusion in harmony with the desires of the heart is one of the interesting phases of human nature. I do not undertake to analyze it at this time. I assume, of course, that the Senator from New York and those who have come to the conclusion that there is no difference between the two propositions have arrived at that conclusion in an honest and, from their viewpoint, logical way. But, Mr. President, I call their attention to the fact that the President of the United States, according to the statement here, has said that he will veto the McCarran amendment and that he will approve, as we are informed, the Russell amendment.

The President of the United States will be the executor of the provisions of the joint resolution. Is there anyone here who believes that the President of the United States is approving one amendment and disapproving another, or disapproving of one and approving of another, without a substantial and controlling reason in his mind for doing so? Are we to be told that the President threatens to veto one and to approve the other without reason for so doing?

It is perfectly clear, and we need not be misled, that the man who is to execute the provisions of the joint resolution and who is to apply the resolution understands that there is a distinct and great difference between the two amendments,

so great a difference between the two that he will exercise the extraordinary power of veto for one and approve the other. Those who contend here that there is no difference do little credit to sincerity or to the intelligence of the President.

I agree with the President. It is not difficult at all for me to see the difference between the two amendments; but if I were unable to distinguish the difference, I should easily reach the conclusion that there is a difference when we take into consideration that the very able gentleman who is to execute the joint resolution sees clearly the distinction and notes it with such moment that he will approve the one and disapprove the other. He sees clearly that in the administration of the joint resolution there will be a difference as great as the difference between a veto and no veto.

There is a wide difference, in my judgment, between the two amendments. If there were no difference between them or if one meant the same as the other, I certainly should not undertake to discuss the matter because the question of authorship in this body is of no concern to anyone, not even to those who may at the particular time chance to be the author. The Russell amendment is not without merit, but it is far from affording the same protection to labor as the McCarran amendment.

Mr. RUSSELL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. BORAH. I yield.

Mr. RUSSELL. I should like to say that I do not desire to be classed among those who maintain there is no difference between the two amendments. I certainly should not have offered the substitute if I had entertained that opinion.

Mr. BORAH. Certainly.

That is not reasonable. That is not common sense. There is a great difference between the two in principle. Under one it is mandatory and necessary to preserve the prevailing wage, and under the other it is purely discretionary, to be determined according to the discretion of the President and according to circumstances and conditions. It may in the matter of execution mean little or nothing.

Mr. President, the central idea of the McCarran amendment is to maintain the wage rate in the United States, the rate of wages paid to labor in the United States. It is not designed and it does not provide that we must pay the work-relief man \$150 a month if industry is paying \$150 a month, as some seem to contend here. It is designed to cover and only covers the proposition that so long as we employ the work-relief man, we maintain the rate of wage at which industry is employing its labor. When we strike at the rate of wages, at the rate of employment, we necessarily undermine and strike at the wage structure itself. The McCarran amendment seeks to avoid doing injury to the wage structure and to make mandatory that purpose.

The proposition of maintaining the rate of wages is not only of concern to labor but it is of utmost concern to the business man, to the merchant, to the farmer, to everyone who is interested in recovery in the United States, because if we lower the rate of wages or if we threaten to lower the rate of wages, we necessarily decrease or imperil the purchasing power of labor in the United States. We can never recover, we can never escape from this economic crisis in which we find ourselves, unless we restore the purchasing power of the great mass of the people. If we legislate here so as to lower the rate of wages and thereby lower the purchasing power, or if we legislate so as to threaten or imperil the rate of wages, we necessarily decrease the purchasing power of 40,000,000 American workmen. When we decrease their purchasing power or threaten to decrease their purchasing power, we necessarily undermine the possibility of the recovery which we all hope may take place sometime in the near future.

Mr. President, the key to the restoration of recovery is purchasing power. Bear in mind that while we are here discussing the question of rate of wages, the purchasing power, tested by the price list at the present time, is less than it was a year ago. The wages are higher, but the price

of the things which the wage earner must buy has so increased that his purchasing power today is less than it was a year ago. And these increases in prices are prices fixed by the arbitrary powers.

The stupendous effort on the part of the Government of the United States, after the expenditure of billions of dollars, after the lending of billions more, after every effort that a government can really make to restore prosperity in the country and to restore purchasing power, we find the purchasing power, tested by the price list, no greater—indeed, less—than it was a year ago. Therefore it is important that we do nothing to imperil the rate of wages in the United States while the prices of the things which labor must buy are constantly rising. Let us do nothing to undermine wages.

I cannot conceive, as the Senator from New York [Mr. WAGNER] said when he opened the debate today, how it is possible to maintain the present rate of wages in the United States in industry if we have 3,500,000 men working for a less rate side by side with the industrial workers. It will inevitably drag down the wage scale. It will inevitably bring the belief to the wage earner that his rate of wages will be decreased and he will curtail his investments, he will curtail his expenditures, he will curtail the things which he wants, in accordance with either the facts or the threat of the facts of the break-down in his rate of wages.

Mr. President, there is one thing about the McCarran amendment that cannot be disputed and that is that it will not imperil the wage rate of the United States. The able Senator from Texas [Mr. CONNALLY], who has just taken his seat, declared that he did not wish to imperil the wage rate of the United States. The McCarran amendment will certainly not have any tendency to do that, while as the Senator from Georgia [Mr. RUSSELL] said, his amendment is wholly different, and, if I construe it rightly, every wage worker in the United States will know there is a possibility of his coming in contact with a lower rate if that amendment becomes the law.

I join in the encomiums which have been bestowed upon the President. I would detract in no way, even if I could, from the credit due him. But this is a matter which as a Senator I must decide for myself. No one on this earth is responsible for this vote but the senior Senator from Idaho. I must assume all responsibility; therefore, I must determine that vote by my understanding and not the understanding of someone else, however great may be my personal regard for the person who holds a different view.

Mr. RUSSELL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. BORAH. I yield.

Mr. RUSSELL. I hope the Senator from Idaho did not understand me to apprehend that the amendment offered by me would have any such effect on the wage scale.

Mr. BORAH. I was speaking of the Senator from Texas [Mr. CONNALLY]. The Senator from Georgia has not yet spoken, and I do not know his full views upon the matter.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oklahoma?

Mr. BORAH. I yield.

Mr. GORE. There is one point which I should like to have the Senator from Idaho explain. There are now 10,000,000 men unemployed, without wages, without earning power at all, willing, we assume, to take jobs. They have not broken down the wage scale nor have they destroyed the prevailing rate of wages. Why would it have a different effect if the 3,500,000 men were put at work at, say, \$50 a month?

Mr. BORAH. Mr. President, I have not the statement on my desk at the moment, but I remember very distinctly that Mr. Hopkins stated months ago that it was his intention to maintain the wage rate in the United States where he employed men. I remember distinctly that there was a great—I shall not say objection—but unfavorable comment upon the point that the Government was paying a rate

above that of industry in many instances. It has been the intention of the Government, it has been the declaration of purpose of the Government, that wherever men were employed they were to be employed at a rate not below that of industry. That has been the policy of the United States, as I understand, since the present administration was inaugurated. And why? Because it was believed to be a basic element in recovery to keep up the wage rate.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oklahoma?

Mr. BORAH. I do.

Mr. GORE. The Senator is undoubtedly right in suggesting that purchasing power and the distribution of purchasing power is what we desire, and what ought to be accomplished by the joint resolution; but purchasing power is measured by this appropriation, \$4,000,000,000. That is purchasing power. Whether that be divided among 2,000,000 men at prevailing wages, or among three and a half million men at \$50 a month, the purchasing power is the same. The purchasing power is not governed by the rate of wage. It is governed by the amount which the Government of the United States expends in order to provide employment for a part of 10,000,000 unemployed people.

Mr. BORAH. Mr. President, I do not wish to be discourteous to the Senator, but I have only a very limited time.

Mr. GORE. I beg the Senator's pardon. I hope the Senator can take a slice of my time.

Mr. BORAH. I am always delighted to listen to the Senator in his own time. Mr. President, what I had in mind when I was speaking of purchasing power was this:

Here are 40,000,000 workmen in the United States. Suppose we lower their rate of wages 10 percent by reason of any act of Congress, or by reason of anything which may occur: What effect will that have upon purchasing power in the United States? Undoubtedly it will affect purchasing power throughout the United States; and what I am contending for is that when we legislate for a lower rate—not a lower amount, but a lower rate—we naturally assail the rate which is paid in industry; and when we assail the rate which is paid in industry, we inevitably imperil the purchasing power of those who are working in industry.

Mr. President, if we could increase wages in the United States 20 percent, and leave the price list of the things labor must buy where it was at the time the present administration took office—and the prices of many articles were high enough—the purchasing power of labor would be such as to have a very decided effect upon the restoration of prosperity in the United States. But through the arbitrary power to fix prices labor has now greater purchasing power than a year or 2 years ago.

Mr. BARKLEY and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. Just a minute.

Let me call the attention of the Senate to the fact that I have a list of 402 corporations in the United States which are now enjoying net earnings of 608 percent over what they were enjoying a year ago. Where do they get those profits? From whom do they receive them? They receive them from the pockets of the millions of people throughout the United States. They levy their prices in accordance with the ability of these people to pay. The result is that instead of this purchasing power remaining with the many, with the masses of the people throughout the country, it is drawn into the coffers of a few; and it does not help in the matter of restoring prosperity to restore purchasing power to the few. We must restore it to the many. So far as I am concerned, I shall at all times vote to extend the purchasing power to the millions, and not to the few.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, a moment ago the Senator referred inferentially to what I conclude to be a desire that the price of commodities be returned to what it was at the time the present administration went into office. The Sen-

ator certainly does not mean to imply by that that he desires the prices of farm products to go back to what they were at that time. Does not the Senator recognize the fact that the increase in the price of raw materials, including farm products of all sorts, has necessarily been reflected in some increase in the price of the finished products?

Mr. BORAH. Mr. President, the increase in the price of the raw materials upon the farm has had some effect upon the increase of the price of the finished product; but let me say to the Senator that the real force and power establishing that price is not the increased demand from the farm but the power arbitrarily to fix the price of the things which come from the farm before they reach the consumer. The farm price started far below the price of the things he must buy.

Mr. BARKLEY. Whatever the power has been, it has increased very measurably the purchasing power of the farmer.

The PRESIDENT pro tempore. The time of the Senator from Idaho has expired.

Mr. BYRNES. Mr. President, I desire for only a few minutes to discuss the two amendments before the Senate.

I agree with the Senator from Idaho [Mr. BORAH] that there is a difference in the two amendments. I desire to point out, first, that under the amendment now submitted by the Senator from Georgia [Mr. RUSSELL] it is provided that permanent buildings for the use of any department of the Government of the United States, or the District of Columbia, when constructed, shall be constructed with wages paid according to the scale determined by "any law of the United States or any code." The McCarran amendment provides that the scale of wages "shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located."

So that if, on the day this joint resolution is approved, in a community a plasterer, for instance, is paid \$1 an hour for his work, and 12 months from now in that community a public building is constructed and the wage of a plasterer has increased to \$1.25 per hour, under the McCarran amendment there could be paid to the plasterer only the wage that was due and was prevailing on the day of the approval of this joint resolution.

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield for a question?

Mr. BYRNES. I will yield in a moment.

Under the Russell amendment, providing that workers on permanent buildings shall be paid according to what is called the going wage, the plasterer would be paid \$1.25 per hour, because it would be the rate of wages 1 year from now, instead of the rate or scale of wages on the day of the approval of the joint resolution.

Now, I yield to my friend from Nevada.

Mr. McCARRAN. Mr. President, why does the Senator, in reading the amendment which bears my name, leave out the words "not less than"? Is not that a minimum fixed, and does not the administrative power have the right to raise it?

Mr. BYRNES. I am assuming that when the Senator used that language, and said that it shall be "not less than" the prevailing rate of wages, he intended the prevailing rate of wages to be paid. Does he intend that a wage greater than the prevailing rate shall be paid?

Mr. McCARRAN. Not less than the prevailing rate.

Mr. BYRNES. What wage has the Senator in mind as the one which would be paid 1 year from now?

Mr. McCARRAN. Not less than the prevailing rate of wage shall be paid; and if the prevailing rate of wage shall be raised by reason of the argument of the Senator, the administrative power will have the right to raise it, but not the right to lower it.

Mr. BYRNES. Then, the Senator from Nevada and I are on the same ground. After all, he is willing to repose in the President of the United States the discretion as to the

wage to be paid. He desires to provide only that it shall be not less than the prevailing wage, and is willing to leave the determination of the wage to be fixed by the President at any time after the date of the approval of this joint resolution.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BYRNES. I yield to the Senator from Kentucky.

Mr. BARKLEY. While we all hope that a year from now or 18 months from now there will be no reduction in the prevailing rate of wage, under the language of the amendment if a year from now there should be a reduction in the prevailing rate, the Government would have to pay what is now the prevailing rate, and what would be more than the prevailing rate at that time.

Mr. BYRNES. Of course that would follow, because certainly if the language is that it shall not be less than the prevailing rate of wages, if the rate of wages should be 25 percent less, under the language of the amendment as I construe it, the Government would have to pay the rate of wages prevailing on the date of the approval of the joint resolution, and not the rate of wages prevailing at the time the work is under construction.

Mr. WHEELER. Mr. President, will the Senator let me interrupt him?

Mr. BYRNES. Yes.

Mr. WHEELER. I desire to call the Senator's attention to a practical proposition. We had this very question up in connection with the Fort Peck Dam in Montana, where from eight to nine thousand people have been employed. The prevailing wage scale prevailed on that project, and some conflict arose with reference to finding out what was the prevailing wage scale in that particular community, because it was a farm community; but wage scales on those contracts were lowered or raised according to what was finally determined to be the prevailing wage scale in that particular community. In some instances it was found that more was being paid and in some instances it was found that less was being paid.

Mr. BYRNES. Mr. President, I understand that; but the Senator, I fear, has not read this language, which says that it shall be the prevailing wage at the time of the approval of the joint resolution and not at the time of the construction. The Senator will see that language if he will look on page 2.

I desire to call the attention of the Senator from Idaho to another fact. He fears that as a result of this work being undertaken by the President under the Russell amendment there will be a decrease in the wages of the wage earners of the country.

In the first place, whenever anyone attempts to illustrate that argument, he refers to the building trades. I have previously said during the discussion of this amendment that under the codes the rate of wages is fixed for practically every branch of the building industry; so that having been fixed by code the scale of wages cannot be changed unless there is an amendment to the code, and such an amendment to the code would have to be approved by the administration.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. BYRNES. Yes.

Mr. BARKLEY. It has just developed, in the investigation now being conducted by the Finance Committee into the operations of the N. R. A., that about 90 percent of all the wages in the United States in the industries covered by codes are regulated by the agreements in the codes entered into voluntarily by the industries; that outside of the service organizations, such as utilities and certain other industries which are not included, between twenty-two and twenty-three million American workingmen are having their wages today fixed by the voluntary codes that have been entered into; and, as the Senator suggests, these wages cannot be changed. They cannot be lowered, because they are minimum wages, unless there is an abandonment of the codes,

or a voluntary agreement on the part of both industry and labor.

Mr. BORAH rose.

Mr. BYRNES. Mr. President, as my time is limited, I desire to continue.

After all, we must come back, then, to the conclusion that we must depend upon the administrative officials administering the law to do that which the Congress declares it is the intention of the Congress should be done in the Russell amendment, namely, that—

The President shall require to be paid such rates of pay for all persons engaged upon any project * * * by funds appropriated by this joint resolution, as will in the discretion of the President * * * not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

The Senator from New Mexico [Mr. CUTTING] this morning, referring to the discretion of the President, said that we should look to his letter in order to ascertain his intention, and in order to obtain an idea as to how he would construe the law. He forgot to read the last paragraph, which was referred to by the Senator from Texas. In that paragraph, the closing paragraph of the President's communication to the Chairman of the Committee on Appropriations, the President said:

I think that the record of this administration has demonstrated that in the administering of this legislation I will not permit anything to be done that will result in lowering the wage scale of the Nation.

By the Congress he is directed not to permit it to be done; over his signature he says he will not permit it to be done. If he has the power to fix the wage scale, if he believes that on a soil-erosion project, or on projects for professional and clerical workers, he can pay a wage without having a board determine what is a prevailing wage—a wage greater than is now being received as a dole, but less than what might be determined by some organization to be the proper wage. If he so determines and pays such a wage, there is no injury done to the prevailing wage scale; no harm is done. If the wage scale may be lowered, then, from what he says in his letter, we may be confident that the President will see that nothing is permitted to be done to adversely affect the wage scale. And if we have any confidence in the President's statement as to how he will administer the law, we can rely upon that statement of the President of the United States.

The Senator from Idaho [Mr. BORAH] referred to the question of purchasing power, and the Senator from Massachusetts [Mr. WALSH] said we should not permit these people to engage in any work at all. As I interpret his statement, he would prefer that they remain on the dole. Would that increase the purchasing power of the three and a half million people? I prefer to believe that if the three and a half million people shall be employed, if they shall be paid such wages as are determined by the President, and such wages as do not adversely affect the wage scale, and they shall go into useful employment, they will be removed from the labor market. Two billion one hundred million dollars of this money must be spent for material, and when that money shall be spent for material, the industries of this country will seek labor. When they shall go into the market and seek employees, they will find that three and a half million men who have been knocking at the doors of the factories seeking employment will no longer be knocking at their doors, but will be usefully employed. By reason of the scarcity of labor the demand for labor would be increased, and instead of there being a reduction of the wage scale, there should be an increase in the wage scale of the workers of this Nation.

Because I so believe and because my associates on the committee so believe, we have voted for and are advocating the Russell amendment, satisfied that with its adoption, not a single wage earner in the United States of America is going to be injured.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. BYRNES. I yield.

Mr. CONNALLY. If three and a half million men on the dole, idle, and wanting jobs and hunting jobs, constitute no threat to the wage structure, how would that same three and a half million men employed at \$50 a month be a threat?

Mr. BYRNES. The Senator from Texas has asked a most pertinent question. Who is most likely to affect adversely the wage scale, the man who has a job at a wage fixed by the President of the United States, earning a living, supporting his family, as the Senator said, "standing on his own hind legs" and facing the world and facing the future with confidence, or the man who is on the relief roll, hungry, without a job, going from door to door and knowing that hungry ones are awaiting him when he goes back to his home? Who is most likely to adversely affect the wage scale? The question answers itself.

Mr. CONNALLY. And willing to take a job at a lower wage if he can get it.

Mr. BYRNES. Willing to take anything in order to get something to eat for the hungry ones at home.

Mr. BORAH. Mr. President, will the Senator yield to me?

Mr. BYRNES. I yield.

Mr. BORAH. May I ask the Senator whether it is his view that the Russell amendment, if adopted, will maintain the prevailing wage scale in the United States?

Mr. BYRNES. Mr. President, the Senator previously asked that question. I say that the Russell amendment will not interfere with any wage scale in the United States of America. There is nothing in it mandatory as to any wage scale, but there is nothing in it that will interfere, because, first of all, it is mandatory as to public buildings; second, there is a direction that it shall not be permitted to interfere; and, third, we have the declaration of the President of the United States that in administering the law he will not permit anything to be done that will interfere with the wage scale.

Mr. BORAH. Then the answer to my question, as I understand it, is that the Russell amendment will maintain the prevailing wage scale in the United States insofar as it affects it at all?

Mr. BYRNES. Insofar as it affects it at all, I say that it will not interfere with it in the slightest degree. If the Senator means by his question to say that the prevailing wage scale will be paid to every one of the people now on the dole, I say no; I do not construe it that way.

Mr. BORAH. I am not asking that question.

Mr. BYRNES. But I say it will not affect the wage scale of the workers who are now employed, if that is what the Senator means.

Mr. BORAH. What I wish to know is, What does the Senator believe the effect of the Russell amendment will be? Will it be to maintain the prevailing wage scale in the United States?

Mr. BYRNES. I say just what I have said before, that it will not interfere with the wage scale of the workers of the United States.

Mr. BARKLEY. Mr. President, it seems to me that in considering not only the merits of the two amendments which are before us, but the merits of either one of them, or both of them together, as against no legislation at all, we cannot afford to lose sight of the fact that without this proposed legislation in some form or other the three and a half million men in whose interest we are seeking to legislate will, in all probability, have no work at all.

We must, in determining this question, decide whether we prefer to leave three and a half million men without any work at all, as they will be left if no legislation shall be enacted, or whether we desire, in a character of work which otherwise in all probability will not be done at all, to spread employment among as many of them as possible, under the circumstances which have brought forth this proposed legislation.

If we were setting up a permanent Government employment system in this country on the theory that the Government of the United States proposes to operate all industry as a Government enterprise, that the Government of the United States proposes to take over the operation of all business as

a permanent institution, and we were endeavoring here to fix a permanent wage scale for the operation of American business under the supervision of the Government, it would be an entirely different matter from that which we have before us today.

We are not setting up a permanent industrial system under this proposed act. We are not taking over the operation of industry or business in the United States by the pending legislation. We are not seeking to occupy a field that is now being occupied or that is likely to be occupied by the Government during the life of this proposed law. Therefore, in considering what it is our duty to do with respect to the men who are now out of work, but who may be put to work if this joint resolution shall be passed and approved by the President, we are dealing with an entirely different situation from that which I suspect is in the minds of many of my colleagues, who fear that the enactment of the joint resolution would set up permanently a wage system and a wage standard in the United States.

I lay down the proposition, which I do not believe is subject to controversy, that in all probability the work which will be done under this appropriation is work which will not be done at all without it; and if it could be done without it, if it were likely to be done without it, we would not be asked here today to pass this appropriation of \$4,000,000,000 at the expense of the taxpayers of the United States.

In view of the fact that the work which will be done will not be done otherwise; in view of the fact that the men who will be employed on it will not be employed otherwise, but will be left in idleness to draw a meager sustenance from the hand of charity, what is our duty, as practical and sensible men, in determining our action on the two alternatives which face us today?

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. In connection with the question which the Senator asked in connection with the remarks of the Senator from Massachusetts [Mr. WALSH], if the Government owes the citizen a living and clothes and food, does not the citizen then owe the Government work; and is it not work we are proposing to give him?

Mr. BARKLEY. The obligations which exist between any government and the citizens who form that government are to some extent, though not altogether, mutual. I think the citizens or the body of citizens as a rule, so far as financial support is concerned, owe a greater duty to the Government than the Government owes to them. Otherwise we could not maintain government at all.

We have been proceeding here for the past 2 years, not on the theory that the Government owes the citizen a living, not even on the theory that the Government owes him a job, but on the theory that in the conditions which face our country and the world—for which the citizen may not be responsible, but for which, in some cases, the Government may be responsible—in a temporary emergency of that kind the interests of the people and the interests of the very Government which they support by their taxes in time of peace and by their blood and their lives in time of war require that the Government go as far as it can to provide means by which every citizen who is able-bodied and willing to work or can obtain work may obtain it; and if it cannot be obtained, or if he is unable to work, assuming that it could be obtained, then, during that temporary emergency, but not as a permanent social system, the Government owes it to him to see that he and his family shall not suffer for lack of food, clothing, or shelter.

I do not believe that in the consideration of this question we can afford to lose sight of the indisputable fact that we are here undertaking to provide work which will not be provided unless we do it in this manner. We are undertaking to take three and a half million able-bodied men off the rolls of charity and provide work for them in a temporary emergency, hoping that when the money shall have been expended we will have gone so far up the hill of recovery that private industry will be able to take up the slack and go on with the burden.

We may be optimistic, we may be entirely too optimistic, in that hope; but if the prevailing wage by command of Congress everywhere and on every job is to be maintained, if there is a prevailing wage, then we might as well admit that we cannot put three and a half million men to work. We could only put about two and a half million men to work, I presume. The Senator from Virginia [Mr. GLASS] shakes his head and says we could not put that many to work; but, assuming that we might put to work two and a half million out of the desired three and a half million men, we are bound to admit that we cannot do as much work as it is possible to do under the amendment offered by the Senator from Georgia.

We are now compelled to decide, therefore, if we shall pass this joint resolution, whether we are going to spread out this work among three and a half million men at a rate of wage higher than we can pay them for doing nothing, but not sufficiently high to induce them to leave their private employment in order to become public workers on some public pay roll, or whether on what little work we may be able to provide we shall pay in every community in the country the same rate of wages that is being paid to those who are now being employed by private industry.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LONG. The Senator has just stated—and he is at violent variance with his fellow advocates, if I correctly understand him—that we cannot employ nearly so many men under the McCarran amendment as under the Russell amendment. Therefore the argument that the Russell amendment will maintain the prevailing wage cannot be correct.

Mr. BARKLEY. I said that if the prevailing wage is to be mandatory on every job which every man would undertake under the McCarran amendment, then we shall have to take one or the other horn of the dilemma. Either we cannot employ as many people during a given time or we can have less work done by the same number of people, and therefore employ them for a shorter time. I do not believe anyone can dispute that statement.

Mr. LONG. I think that is right; but the point is that some ill-advised Senators who do not think as the Senator and I think—

Mr. BARKLEY. I do not know just what the implication is in that statement.

Mr. LONG. In a moment I will convince the Senator that we are talking together.

Mr. BARKLEY. I cannot yield longer, because I have only 20 minutes. I am yielding to Long, but I cannot yield too long.

Mr. LONG. In other words, the gentlemen who think the Russell amendment is going to do the same thing as the McCarran amendment in maintaining the prevailing wage are bound to be wrong. Otherwise, the Senator from Kentucky would be wrong in his logic that the adoption of the McCarran amendment would result in a reduction in the number of men employed.

Mr. BARKLEY. I do not think I am wrong in my logic or my position, regardless of the opinion of anyone else.

Mr. LONG. I think the Senator is right, but they are wrong.

Mr. BARKLEY. I think it is fair to say that some of the work which will be done out of this appropriation will be done on projects as to which there is no prevailing wage, because no such work is being done. It is noncompetitive. Yet, under the mandatory provisions of the McCarran amendment some approximation of a prevailing wage on some other kind of similar work would be required.

The other day, when this question was before us, I mentioned the fact that out of this appropriation and out of this allocation, in all probability the President might see fit to engage in what I think would be a very desirable enterprise—the elimination of grade crossings throughout the United States, not only in the country but in the cities. No such work as that is going on at this time. Grade crossings will not be eliminated by the railroads because they are not

financially able to do it. They will not be eliminated by the cities or the counties or the States out of their road funds because they are in no position to do it. If grade crossings are to be eliminated to any extent, the work must be done under the direction of the President of the United States out of this fund.

What is the prevailing-wage scale in any community for the work done on the removal of a grade crossing? There is no such prevailing-wage rate, because there is no such work. Yet if we require the fixing of a rate similar to that on work which is being done in the various communities by men who are doing work physically as hard, or that may be regarded as similar, then we have established an artificial-wage scale which would be required to be paid under those circumstances in an industry in which at this time there is no standard by which a prevailing-wage scale may be adjusted.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. I do not wish to interrupt the Senator, but I think the Senator should know that he is in error as to his last argument, because the wages paid on all highway work have been fixed by statutes at the present time existing.

Mr. BARKLEY. In my State, for instance, the scale of wages on highway work is a minimum of a dollar a day, and not more than \$3.

Mr. McCARRAN. The scale is fixed by the highway departments of the respective States.

Mr. BARKLEY. Yes; but that might not be the prevailing wage under the amendment of the Senator.

Mr. McCARRAN. It is the prevailing wage fixed by law.

Mr. BARKLEY. The mere removal of a crossing over a railroad track so as to put in an underpass might not be regarded necessarily as highway work. It might not even be interpreted as the type of highway work for which, in my State, the minimum is a dollar a day, and the maximum is \$3 a day.

Mr. BANKHEAD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Alabama?

Mr. BARKLEY. I yield.

Mr. BANKHEAD. In answer to the statement of the Senator from Nevada that the wages on Federal highway work are fixed by statute, I desire to say that the statement is not accurate. The provision of the statute is that the rate of wages or the scale shall be fixed and announced before the contract is made; but each announcement comes up from time to time as the contract is to be let. The statute does not fix the rate at all.

Mr. BARKLEY. That is true; but there is in some States, including my own, a provision that in the employment of road hands, for instance, on the highways there is a maximum and a minimum wage scale which may be adopted by the authorities in the county or in the city or in the State.

Mr. McCARRAN. Just one more question. I apologize to the Senator for interrupting him.

Mr. BARKLEY. That is all right. I yield. I desire to cover only one more point.

Mr. McCARRAN. Does the Senator dwell on a wage scale of a dollar a day? I understood him to say that in some places in his State the scale is fixed at a dollar a day.

Mr. BARKLEY. The statutes of Kentucky provide, according to the pamphlet which the Senator himself filed here and made a public document, that on road work designated by the local county courts, which in my State have charge of road work and the expenditure of county finances, there shall be paid a wage not to be below a dollar a day and not to be higher than \$3 a day, except that certain skilled labor may be given as much as \$5 a day.

The Senator from Idaho [Mr. BORAH] a while ago complained apparently because the purchasing power of the American workingman had not kept pace with the increase in cost of living and rather intimated—I do not wish to misinterpret the Senator's remarks—that the same objection

would not arise if the cost of living could get back to the point where it was 2 years ago.

Mr. BORAH. Mr. President, I was simply using that as an illustration to test the question of purchasing power.

Mr. BARKLEY. Yes.

Mr. BORAH. I did not have time to go fully into the matter; but what I meant was that the cost of living has been arbitrarily raised by arbitrary forces, and therefore the purchasing power of labor has been affected by it. In other words, by reason of this power of corporations to fix prices on the things which the laborer and farmer must buy, their purchasing power, tested by present prices, has been kept down.

Mr. BARKLEY. Of course the Senator will recognize that it is never possible to strike an exact balance between producers and consumers by any comparison of dates that would be exact and just. I am sure the Senator from Idaho would not in the case of the wheat of the American farmer go back to the price of 2 years ago, or do likewise in the case of the corn of the American farmer, or the cotton of the American farmer, or the hogs or any of the other agricultural products the prices of which have gone up from 50 to 100 percent, by whatever method that increase has been brought about, during the past 2 years. And, of course, it must follow as night follows the day that when the price of agricultural products is increased, that increase is reflected in the price of the finished product to the consumer; and it must be, as the Senator says, that the increase in the purchasing power of the laboring man has not quite kept pace with the prices of other things out of which are produced the things which he has to buy. I do not believe, however, it can be asserted with success that the combined aggregate purchasing power of the American people has not increased in the past 2 years. The increase in the purchasing power of American farmers has been reflected in the greater opportunity for employment in the industries which furnish commodities which the farmer can buy, such as shoes and clothing and farm machinery and other things with which he has been able more abundantly to supply himself during the past 2 years, a condition which has indirectly resulted in giving employment to more people than would have been possible had that increase not occurred.

Mr. President, how much time have I remaining?

The PRESIDENT pro tempore. Two and one-half minutes.

Mr. BARKLEY. I could not in that brief time properly cover the one remaining important point which I desire to discuss, and therefore I shall yield my time back to the Senate.

I believe we cannot afford to be swept off our feet by any impractical considerations in determining this question. What we are trying to do is to create a situation temporarily which may permanently take men off the charity rolls and put them back to work. I believe we ought to give an opportunity to work to every American citizen who is able and willing to work. The more men we can provide with work, even if some of them work at a rate of wage which is below that which prevails in some other activity in the community where they live, the more we will have made a very measurable contribution to the creation of a situation which ultimately will solve itself by making it possible for business to absorb unemployment and the United States Government to get out of this miserable depression in which we have languished during the last 2 years.

Mr. COUZENS. Mr. President, we have apparently developed a very strange theory in the Senate. The opinion seems to exist that wage workers are going to be paid too much money. That seems to be the philosophy of the opponents of the McCarran amendment; otherwise, it would not be argued that these distressed workers must deliver to their Government 2 days' work for 1 day's pay.

Another strange thing has developed, and that is that in the correspondence we have all received, many employers and chambers of commerce have said, in effect, "Why, these men ought to be glad to get a job at any pay." That is the sort of philosophy we are adopting in the Senate today,

because, forsooth, if the McCarran amendment shall be defeated, as seems probable, according to the best count we can obtain today, it will be defeated on the philosophy that these men in their distressed condition ought to be glad to get a job at any wage.

Mr. President, there has been submitted to industry, opposed to the prevailing wage provision, the question of whether or not, because their factories are idle or working on part time, they are willing to take prices for their commodities less than the prevailing market price. The answer has always been "no." Commodities, goods of various kinds, iron, and steel all must be maintained at the prevailing market price, and yet human beings in distress, who according to the same industries should be glad to have a job at any price, are being required, under the terms of the joint resolution, to take whatever one man may say they shall take.

It is said by some distinguished Senators that we will not put as many men to work. That I emphatically deny. That question has been hashed and rehashed over and over again, and yet it is a strange thing that the press of the country continues to put forth editorials to the effect that as many men cannot be employed under this appropriation as could be employed if the wage paid were less than the prevailing wage.

Mr. President, the mathematics of the problem are so simple and so plain that nothing but a determination to becloud the issue is responsible for that continued suggestion. No industry is going to be asked to run its plant 6 days a week for 3 days' return. Oh, no! Neither are we going to adopt an excess-profits tax to get at the excess profits accruing to the industries which are to profit by some \$2,000,000,000 of Federal money carried in the joint resolution for the purchase of supplies and materials.

It is perfectly obvious to me that if a gang of men are working on the street at half the normal or prevailing rate of wage, doing substantially the same kind of work as is being done on nearby private property, the tendency is always to the lower scale of pay. The employer on the private property paying the prevailing rate of wage will be under the constant temptation to reduce that wage by reason of the fact that men who are working on public property nearby are getting only half the pay.

It is said that in the case of grade separation we cannot fix the prevailing wage, because there is no comparable work. That statement must have been made without a knowledge of the facts, because in most of the large cities of the country there are wage scales for cement workers, there is a wage scale for steel workers, and there is a wage scale for common labor.

But that is not important. The important thing is that we are asked to require these men to take whatever one man shall say they may have; that we are asked to require them to work at less than the prevailing wage. When it comes to grade separations considerable steel and cement will be required. I venture to say that the Congress would not dare enact legislation requiring the Steel Corporation to supply 2 tons of steel for the price of 1, or to require the cement manufacturers to furnish 2 barrels of cement for the price of 1; and yet we hear Senators demanding that the most distressed workers of the country shall be required to give 2 days' work for 1 day's pay.

Mr. President, I am sorry I have not the ability to state my views in such a splendid way as did the Senator from Massachusetts [Mr. WALSH]. I subscribe entirely to the philosophy which he stated so well within the last 10 minutes.

Mr. NEELY. Mr. President, to an experienced observer of senatorial ceremony, it must be as clear as crystal that sacred history is about to repeat a stirring episode that is immortalized in one of the parables.

In the long ago a certain man went down from Jerusalem to Jericho and fell among thieves, who stripped him of his raiment and wounded him, and departed, leaving him half dead.

Most honorable and highly esteemed Members of the Senate apparently purpose to inflict greater injury upon the McCarran amendment than that which the man in the parable

suffered at the hands of the thieves. The man escaped with half of his life. Upon the next roll call the amendment will be done to death.

A majority of us voted for the amendment in February because we thought it was right. Some of us intend to vote for it in March because we do not believe that a virtue can become a vice, or a right can become a wrong in less than 30 days.

A vote against the McCarran amendment is a vote to make Uncle Sam a Dives at a sumptuous table and every toiler within the purview of the pending resolution a Lazarus condemned to exist on crumbs.

In the summer of 1933 the speakers' bureau of the National Recovery Administration requested me, as I presume it requested every other Member of the Senate, to go forth and preach the gospel of the new deal. The bureau supplied me innumerable speeches, posters, bulletins, and advertisements and an inexhaustible wealth of data with which to prepare myself for the service which, agreeably with the bureau's request, I enthusiastically promised to perform. Let me read excerpts from this preparatory material.

You can help make your own market if you will * * * agree to a shorter working hour, a higher minimum hourly or weekly wage in your business.

What is designated as advertisement no. 14 is adorned with the picture of the Blue Eagle:

The bird of the broad and sweeping wing
Whose home is high in heaven,
Where the wild storms their banners fling
And the tempest clouds are driven.

Under the eagle these words appear:

Buy goods * * * sold under the National Recovery Administration's code * * * of increased earnings per hour of labor, increased man power at work!

Advertisement no. 12, which constituted a part of my preparatory course of instruction, contains the following:

It won't be many days before the bread you cast on the waters in the shape of shorter hours and higher minimum wages comes back in the form of prosperity. For you are making your own market. When you sign the President's reemployment agreement, cut down working hours, take on more people, increase minimum wages, you are giving people money to spend. * * * It is a pleasant circle. Higher wages, more demand for goods. Greater demand, easier to pay the higher wages.

Bulletin No. 1, from which I derived great inspiration and encouragement, is an address by one of the greatest Americans of all time—President Franklin D. Roosevelt—whom we all love, admire, and honor, and to whom suffering humanity owes a debt of gratitude that can never be paid. The following appears on page 1 of this address:

In my inaugural I laid down the simple proposition that nobody is going to starve in this country.

This proposition the President, with praiseworthy promptitude, magnificently translated into a soul-satisfying realization.

It seems to me to be equally plain that no business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By "business" I mean the whole of commerce as well as the whole of industry; by "workers" I mean all workers—the white-collar class as well as the men in overalls; and by "living wages" I mean more than a bare subsistence level—I mean the wages of decent living.

Does the McCarran amendment call for more than the wages of decent living? A thousand times "No." It calls for the wages which prevail in the locality in which, under the pending resolution, labor is employed. Are the prevailing wages of the country now above the wages of decent living? Mr. John Lewis, the able and faithful president of the United Mine Workers of America, recently testified before a subcommittee of the Senate Committee on Interstate Commerce to the effect that the average compensation of the country's 350,000 coal miners is less than \$55 a month. Would the taxpayers be injured or would the return of prosperity be delayed by providing that any laborer employed under this resolution should be paid not less than a prevailing wage of \$55 a month? Have any of those who intend to vote against the McCarran amendment ever endeavored to support a family of five on an income of \$55 a

month; and if so, did they find that they could upon such meager wages maintain decent living conditions for themselves and the loved ones who were dependent upon them?

From the inspiring texts to which your attention has been invited, we who are now supporting the McCarran amendment preached innumerable sermons in which we vigorously urged the captains of industry to shorten the hours and increase the wages of their employees. For us to desert the amendment would be for us to justify those to whom we preached in pointing us out with the finger of withering scorn and saying to us with infinite contempt, "You hypocrites! In 1933 you exhorted us to raise the wages of our employees in order to increase the purchasing power of the people and thus restore prosperity to the Nation. Regardless of personal inclinations; regardless of cost; regardless of sacrifice, we favorably responded to your entreaties. But in 1935 you, by your votes, proclaimed in the United States Senate that the Federal Government, whose means are identical with the aggregate wealth of a hundred and twenty-five million people, need not pay the 'wages of decent living' to its employees."

If we enact a law under which any department of the Federal Government pays its employees less than the average wages which prevail in the locality in question, we shall thereby establish a precedent to which every sweatshop proprietor and every labor baiter in the land will appeal for justification of starvation wages in private industry.

This Government should be the world's model employer of labor. For obvious reasons it should surpass all those who are engaged in private industry in the matters of the payment of adequate wages, the maintenance of sanitary working conditions, and the establishment of the highest possible standards of living among its employees.

We ought to adopt the McCarran amendment and thereby raise a standard around which all the friends of those who toil could enthusiastically rally. A standard of which we all might well be proud! A standard of which the humanitarian Jefferson, the father of the political party now in power, would not have been ashamed!

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, and it was signed by the President pro tempore.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief purposes.

Mr. LA FOLLETTE. Mr. President, I desire to make a brief statement before the vote is taken, and I concede the right of the Senator from Nevada [Mr. McCARRAN], the author of the pending amendment, to close the debate.

I voted for the amendment of the junior Senator from Nevada when it was offered as a substitute for the original section 6 as reported by the Committee on Appropriations. However, as every Senator in this Chamber knows, that amendment was adopted by a majority of one. At that very hour the question was presented to this body as to whether an honorable compromise could be achieved between the position taken by the committee and the one taken by those who were supporting the McCarran amendment, because it was perfectly obvious that, in view of the legislative situation, the adoption of the amendment by a majority of one made it impossible for the Senate to maintain its position successfully through the various legislative steps which the measure would have to take before it became a law.

Therefore, to my mind, the question involved here is whether or not the amendment in the nature of a substitute now offered by the junior Senator from Georgia [Mr. RUSSELL] is an honorable compromise, and whether or not it protects the rights and the wages of labor to a substantial degree.

Mr. President, I concede, of course, that the substitute now offered by the Senator from Georgia is not the McCarran amendment. A compromise inherently means concessions upon the part of all who are in disagreement, and obviously such a compromise has been attempted in the amendment offered by the Senator from Georgia. Therefore, so far as my position is concerned, I am interested in determining to what extent the substitute presented by the Senator from Georgia offers substantial protection to the wage scales now being paid in this country. In my opinion, it does offer substantial protection, and the wage earners of this country will be much better off if this substitute amendment shall be adopted than they will be if the friends of the McCarran amendment stand fast and prevent the adoption of the compromise offered by the junior Senator from Georgia.

At the outset, Mr. President, the first amendment, the original section 6, as reported from the Committee on Appropriations, held out only the hope that, in the event wages were fixed by the President which undermined the existing wage scale, an investigation might be afforded through such agencies as the President must designate. In my opinion, that was no protection whatsoever to the wages now being paid in private industry, because obviously before any investigation could be instituted and any determination of facts reported, in a large percentage of cases the projects under investigation would have been completed. It was a device for locking the barn door after the horse had been stolen.

Under the amendment which is now offered by the Senator from Georgia, the President of the United States will be compelled to fix a scale to be paid upon these projects in advance of their commencement, which, in his opinion, will not adversely affect the prevailing rate of wages. So much for the projects other than public buildings which may be constructed under the funds afforded by the joint resolution. Insofar as public-building projects are concerned, the compromise amendment offered by the Senator from Georgia gives complete and full protection to the wage earners who may be employed upon them, because the language of the second paragraph of that compromise provides that the so-called "Davis-Bacon Act" shall apply. In other words the compromise gives complete effect to the only statute now in force to preserve the prevailing rates of wages.

Mr. STEIWER. Mr. President, will the Senator yield for a question?

Mr. LA FOLLETTE. I will if the question is brief.

Mr. STEIWER. In the joint resolution which is pending before the Senate, House Joint Resolution 117, does the Senator find any suggestion that public-building projects will be authorized?

Mr. LA FOLLETTE. Mr. President, I think there may be public-building projects under the tentative break-down provided on page 3 of the joint resolution. I also believe that there may be additional allocations made for such public buildings under the provision which gives the President the right to transfer 20 percent of the total amount. So that there may be a very substantial amount of public building, as I read the tentative break-down.

Mr. BARKLEY. Mr. President, under the item of miscellaneous expenditures, a large amount of construction might be carried on.

Mr. McCARRAN. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield. I would ask the Senator to let me finish, however.

Mr. McCARRAN. Just one question, and it will be just as brief as I can word it. Does the learned Senator know that in the Committee on Appropriations the junior Senator from California [Mr. McADOO] offered an amendment to have public buildings incorporated, and that the amendment was voted down?

Mr. McADOO rose.

Mr. LA FOLLETTE. Mr. President, I should be glad to have the Senator discuss the amendment in his own time, because, as every Senator knows, I have only 20 minutes.

But I wish to say to the Senator from Nevada, in all candor, that I do not think the action of a majority of the Committee on Appropriations in that regard is necessarily conclusive evidence that public-building projects may not be constructed under the funds provided by the joint resolution.

Mr. McADOO. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield for a brief statement.

Mr. McADOO. I only want to correct the error into which my friend from Nevada has fallen. I did suggest tentatively an amendment to the joint resolution to authorize specifically the construction of certain public buildings. It was not acted upon by the committee because I withdrew it, and when I proposed that amendment it was before the present breakdown was inserted in the joint resolution. I have always considered that under the provision authorizing the President to create miscellaneous projects, public buildings could be constructed.

Mr. LA FOLLETTE. Mr. President, I wish to revert for a moment to the tentative break-down which is provided in the joint resolution as it is now presented to the Senate.

There are obviously categories in the tentative breakdown on page 3 of the joint resolution which even the most ardent advocate of the McCarran amendment would acknowledge are entitled to exception from the provisions of the said amendment.

As a matter of fact, so far as the tentative break-down of \$600,000,000 for the Civilian Conservation Corps is concerned, the Senator from Nevada has already conceded that the C. C. C. should be exempted from the provisions of his amendment.

I desire to refer to "rural rehabilitation, and relief in stricken agricultural areas, \$500,000,000." Is there any Senator present who does not believe that this item should also be included in the exceptions in the McCarran amendment if it were to be adopted?

I also desire to refer to \$300,000,000 for projects for "professional and clerical persons", which I regard as falling in the same category.

"Prevention of soil erosion, reforestation and forestation, flood control, and miscellaneous projects, \$350,000,000." Obviously, so far as prevention of soil erosion, reforestation and forestation are concerned, they are types of works which, should the McCarran amendment be enacted into law, should also be exempted or excepted just as the author of the amendment has already excepted the Conservation Corps.

On the basis of this tentative break-down, there are \$1,400,000,000 worth of projects which I think obviously would have to be excluded from the terms of the McCarran amendment if it were to be enacted into law.

Mr. President, that being the case, it seems to me that there is a clear justification for our assuming the position, first, that the McCarran amendment cannot prevail so far as the ultimate enactment of this legislation is concerned; second, that confronted with that situation we are justified in accepting the compromise offered by the Senator from Georgia upon the theory that it affords a more substantial protection to the prevailing wage scale than that existing in the original proposition as advanced by the committee.

Therefore, so far as I am concerned, Mr. President, I shall vote against the amendment offered by the Senator from Nevada; and when the opportunity is afforded, if it is afforded, I shall vote for the compromise offered by the Senator from Georgia.

I desire to say in conclusion, Mr. President, that to my mind there is even a larger issue involved than that concerned with the principles involved in the McCarran amendment or in the compromise offered by the Senator from Georgia. There are more than 20,000,000 men, women, and children in this Nation to whom this joint resolution is the only hope upon the horizon of their despair. Senators have been discussing this proposition as though we were concerned only with the rate of wages which might be paid. I wish to say, Mr. President, that insofar as the rate of wages that are to be paid is concerned, from the point of view of those who are now upon relief, the amount of money they receive will be determined by the total appropriation carried in this joint resolution.

I care not whether you employ them at \$50 a month or whether you employ them a smaller number of hours and pay them the prevailing rate of wages. Their fate will be determined by the size of this appropriation, just as their fate and their welfare or their hardship and suffering have been determined by the size of the appropriation provided for public works and for direct relief in every session of Congress since the Congress recognized the necessity for the Federal Government to come to the assistance of the municipalities, counties, and States in meeting the unprecedented and the staggering burden of unemployment relief.

Mr. President, let us be perfectly frank. Faced with the fact that I regard the appropriation carried in this measure as being inadequate for the task involved, I confess that I found myself in an embarrassing position when I heard Senators vote for the McCarran amendment, not because they believed in the principle involved in the amendment, but because they saw in it an opportunity to defeat the joint resolution.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Nevada.

Mr. McCARRAN. I take exception to the last remark of the Senator if it applies to me. I hope the Senator will clarify his remarks in that respect.

Mr. LA FOLLETTE. Mr. President, so far as the Senator from Nevada is concerned, since he wishes me to be frank, I desire to say that, as I understand, the record of the committee shows that he voted for the amendment offered by the junior Senator from Colorado [Mr. ADAMS] in favor of cutting this appropriation in half.

Mr. McCARRAN. I am going to say more than that: I will do it again.

Mr. LA FOLLETTE. Precisely. That is what embarrassed me, Mr. President, in following the leadership of the Senator from Nevada and some others who joined him. I was embarrassed because I know that there are other Senators—both Democrats and Republicans—who have been most vociferous in their support of the McCarran amendment who do not believe in the principle of that amendment and who are opposed to the pending legislation. They have seized upon the McCarran amendment as a means of defeating the joint resolution.

Mr. President, I do not question the right of any Senator to use any legitimate parliamentary tactics which may come to his hand to achieve his objective; but, so far as I am concerned, I do not wish longer to be helping them to their ends, especially when I know that we have reached the point in the legislative procedure where it is impossible to retain the McCarran amendment if the joint resolution is to become a law.

Mr. LONG. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Louisiana?

Mr. LA FOLLETTE. I yield to the Senator from Louisiana if I have any time left. How much time have I?

The PRESIDENT pro tempore. Three minutes.

Mr. LA FOLLETTE. I yield to the Senator from Louisiana, but I ask him to take into consideration the fact that I only have 3 minutes left.

Mr. LONG. I merely wish to ask the Senator from Wisconsin a question. He voted for the McCarran amendment the last time, as I understand.

Mr. LA FOLLETTE. The Senator's statement is correct.

Mr. LONG. Did those of us who went along with the Senator then misuse the Senator from Wisconsin at that time?

Mr. LA FOLLETTE. No, Mr. President; I was not misused. I voted my convictions, but the amendment was misused by some Senators. The time has come for those who are in favor of affording relief and of providing employment in this country to recognize the practical legislative situation with which we are confronted, and to accept the compromise offered by the Senator from Georgia, because, in my opinion, it does afford not so substantial a protection to the prevailing rate of wages as contained in the amendment offered by the Senator from Nevada, but it contains a great many more safeguards than are contained in the original committee amendment.

Mr. REYNOLDS. Mr. President—

Mr. LA FOLLETTE. If I have any more time, I will yield.

Mr. REYNOLDS. In view of the statement made by the Senator from Wisconsin, I wish to say that I voted for the McCarran amendment. I intend to vote for it now. I am going to vote for the \$4,000,000,000 appropriation; and if the President wants \$6,000,000,000, I will vote for that.

Mr. LA FOLLETTE. I am glad to know that the Senator will, because he will have a chance to do so.

Mr. STEIWER. Mr. President, I was greatly interested in the concluding portion of the remarks of the Senator from Wisconsin; particularly in the assertion which he made with so much vigor and force, that the only hope on the horizon of the 20,000,000 persons on relief in this Nation was the hope that will come from the enactment of this joint resolution.

In one sense that statement is true. In a very substantial sense it is also true that the hope of the entire Nation is intertwined with the important factors that enter into the formulation of his legislation.

The theory upon which the legislation proceeds is that the joint resolution is a stopgap. As the Senator from Texas [Mr. CONNALLY] said, it is a bridge across which the unemployed may walk on their way toward private employment. I desire to dwell upon that theory for a moment, because I hold that the whole Nation has in this measure the same, if not a greater, interest than the 20,000,000 who at this time are dependent upon relief.

The President, in his message of January 4, very clearly set forth his purpose with respect to this resolution. He said, among other things:

It is my duty, dictated by every intelligent consideration of national policy, to ask you to make it possible for the United States to give employment to all these three and one-half million employable people now on relief, pending their absorption in the rising tide of employment.

I emphasize the last portion of the language quoted, "pending their absorption in the rising tide of private employment."

Obviously, in the mind of the President that contemplation affords justification for the expenditure of between \$4,000,000,000 and \$5,000,000,000 of the people's money. It assumes there is here a temporary expedient which will provide employment pending the rising tide of private employment. That theory was reiterated by those who appeared before the Committee on Appropriations. By reason of the short time and the lateness of the hour I shall read only one brief excerpt from that testimony. I read from the statement of Admiral Peoples, who was one of those officially selected to represent the administration viewpoint in presenting the joint resolution to the committee. He said:

The policy laid down here, Senators, is to provide work to take care of these dole recipients, to give them enough money to live on. The whole bill anticipates that this will be the last needed stimulation of business, will break the back of the depression, and that with the rise in the tide of employment the people drawing the security wage on Government projects will find employment in commercial life. That is the essence of the bill.

Mr. President, what sublime optimism!

Nevertheless I am moved to ask what of the theory of the joint resolution if it shall happen that it will not break the back of the depression and that there is no rising tide of employment? The thought which has disturbed me was well expressed today by the senior Senator from Massachusetts [Mr. WALSH]. I could go along readily enough with the theory of the proponents of this measure if I had some assurance that, at the end of the 12-month period during which the joint resolution will provide work for 3,500,000 unemployed, they would find private employment. But what is to be the consequence if there is no rising tide of private employment? Obviously nearly \$5,000,000,000 of the people's money will have been spent, the national credit will have been exhausted to that extent, and the Nation will be less able to deal with the situation before it; even the unemployed, the unfortunates now upon the relief dole, will have their situation jeopardized by this boundless optimism, and by our willingness to wager away the patrimony of our country, to

wager the \$5,000,000,000 that there will be a rising tide of employment when honesty should compel us to admit we know simply nothing about it.

So I say, Mr. President, I find it difficult to deal with the question upon the theory that the joint resolution is a mere stopgap, that for the brief span of a year only, we shall provide employment for those who are unemployed, and that at the end of that time the problem is to be solved. I cannot escape the conclusion that the problem, possibly in an exaggerated form, will be with us after this appropriation shall have been exhausted.

We have a duty to the unemployed and to the unemployables; but there is a higher duty to the Nation of which we are a part. We ought at this moment to consider the credit of our country and to know what we are doing when we permit our Nation to enter upon the suggested program. I feel compelled to view the situation as semipermanent, and therefore I am bound to stand on the side of those who would protect the purchasing power of the American working man. I stand on the side of those who support the McCarran amendment, and see no justification for excusing a vote against that amendment upon the theory that this legislation is a stopgap, a mere temporary expedient.

What have we here? The situation is confused because Senators are in disagreement as to the differences between the two proposals. I share in the confusion when Senators like the junior Senator from New York [Mr. WAGNER] and others tell us there is no substantial difference between the McCarran amendment and the Russell amendment. Mr. President, without attempting to analyze critically the two amendments, I assert there is a substantial difference and that the amendments themselves shed very considerable light upon that difference.

In brief, the McCarran amendment provides that, with the exception of the Conservation Corps, not less than the prevailing rate of wages shall be paid in every community and to every person employed under the provisions of the joint resolution.

The Russell amendment, on the other hand, leaves substantially to the President the responsibility of fixing the rate of wages. It merely provides that on certain types of work, namely, permanent public-buildings projects, the provisions of existing law shall apply. What does that mean? It means that those of the unemployed who are permitted to work upon public-buildings projects will receive the protection of the codes and the Davis-Bacon Law. They will receive the prevailing wage. Those who are required, by force of necessity over which they have no control, to accept other types of work under the program may receive much less than the prevailing wage.

Then what do we have? First let me say we will have among the 10,000,000 unemployed about 5,000,000 who are not on relief at all and they will receive nothing. That is the lowest step in the ladder. Then we will have other millions who will receive the dole. Then we will have possibly two or three million more who will receive the so-called "subsistence or security wage", and then we will have the fourth category, namely, those who work on the permanent building projects and who will receive the prevailing wages in the communities in which they work.

Thus we are asked, under the name of compromise, to vote for a legislative discrimination dividing the unfortunate into four groups, with discrimination as between groups. We are to do it, Mr. President, by giving nothing to a very worthy group of our people, namely, the unemployed whose thrift is such that they have not yet been driven to relief. We give the dole to the next group. Then we provide a security wage to those who work upon work projects, which are not building projects, and then we give the greatest reward of all to those who work upon the permanent projects, and they are those who are members of unions, the artisans, the skilled workers.

I cannot face this situation without reflecting upon the rather solemn and unhappy fact that we reward with prevailing wages the strong and that we visit our penalties upon the weak. I hope every Senator will take into consideration

that inescapable fact. We are called upon to vote a reward to the strong and to discriminate against those who are least able to care for themselves.

I know of no justification for this kind of legislation. I do not know why it is, when one system is going to cost just the same as the other, if the President wills it so, that we should be obliged to legislate the reward to the strong, and tear down the most defenseless element of our society during the time of their helplessness.

Is it a priceless or a precious privilege to have a discretionary executive power to pay less than a living wage to those who are unable to defend themselves? Is it a priceless or a precious privilege to go into a distressed labor market and to grind down those who are utterly helpless and hungry in order to build cheap projects? This privilege leads only to peonage. It does not justify a veto.

It seems to me that it would be better to face a veto. There will be ample time for subsequent disposition of this matter. There will be full opportunity to vote money for relief, and full opportunity to provide a works program, if it is the will of the Congress and the Executive that there shall be a works program. There will be no difficulty at all in meeting the responsibility which is ours. Why is it necessary, therefore, that we should discriminate against the unfortunate and the weak and reward the strong merely to solve what seems to be a parliamentary tangle?

I am most content to adhere to the position which I formerly took, and to stand by the amendment of the Senator from Nevada, let the consequence be what it may, because certainly we ought to have enough confidence in ourselves and in the great President of the United States to believe that in some way or other we can reach a conciliation of this matter that will not result in hardship to anyone.

The Senator from Wisconsin characterized the Russell amendment as an "honorable compromise." It may be honorable; it is a compromise; but the unfortunate thing about it is that it is a compromise with a principle which should not be compromised and results in inequality which is un-American; moreover it is wholly unnecessary. If there is any pride of manhood left here, as I know there is, we should stand for the great principle of equality for all our people, and vote for a system which will provide direct relief and work relief, and that we should do it without the cruel and indefensible discrimination which will follow from the enactment of the Russell amendment.

Mr. GORE. Mr. President, I am sure every Senator agrees with the Senator from Oregon [Mr. STEIWER] in his opposition to any compromise with principle. Macaulay said that "compromise is the essence of politics." Sometimes it becomes necessary to compromise; but I have assumed that compromises ought to be arranged within the limits of principles themselves, and should relate to matters of expediency.

I assume, also, that every Senator favors the philosophy of high wages. I do. I favor the theory of high wages; I favor the payment of high wages; but I think even the rate of wages must have some reference to economic facts and to realities.

A wage of \$5 a day at one time might be high, and at another time it might be low. A wage of \$5 a day in one community might be high, and in another community it might be low. I think we ought to take facts into account; and, after all, those who are to be the beneficiaries of these appropriations are not the sole parties who deserve consideration at our hands.

This money comes from somewhere. It comes out of the earnings of those who provide this money from their resources. It is a subtraction from the purchasing power of the one and an addition to the purchasing power of the other. Some Senators confuse the creation of purchasing power with the transfer of purchasing power. What we all desire, or should desire, is the stimulation, the creation of purchasing power, and not the mere transfer of purchasing power from one party to another. That may provide relief in the particular instance; it may help one individual or one group; but it helps them at the expense of another individual

or at the expense of another group, and it is not making headway out of this depression.

The Senator from Texas [Mr. CONNALLY], in his remarks this afternoon, made the statement that, after all, the payment of wages for relief work was veneration the dole in a sense, or veneration charity. I have wondered if that statement is not true, at least to a certain extent, and I have wondered to what extent it is true, if at all.

I happen to know this fact myself: The Government was preparing to construct 1,200 small projects scattered throughout the several States. It prepared an estimate of the cost, including various items, in order to secure the money from one of these alphabetic agencies. Among other items, an estimate was made upon the labor cost. It came to \$10,000,000. That estimate was based on labor's record for efficiency in private industry. When those projects were completed, the labor item estimated at \$10,000,000 had cost the Government between thirty-six and thirty-eight million dollars. That labor estimate cost the taxpayers of this country not \$10,000,000 but between thirty-six and thirty-eight million dollars. The official who supervised the work told me that upon the average it took nearly four men under this plan to perform the labor of one man.

Is not this, or is this, to some extent, a mere veneer? Do the men engaged upon projects of this sort know that it is not competitive industry, and that it is not necessary for them to earn their wages or else lose their jobs? Do they work for the public, for the Government, as they would for private industry? I tried to obtain fuller information upon this subject a few days ago, but my amendment calling for the information did not pass.

As I see this crisis, the Ship of State is a good deal like a ship on fire in a storm at sea. We cannot treat either the passengers or the crew as we should like. Choice yields to necessity. This is a situation in which numbers count in a double sense. The more hungry mouths we feed with this \$4,000,000,000, the better. The more naked backs we can clothe, the better.

Twice as many people can be employed, twice as many people can be fed, twice as many can be clothed under the Russell amendment as under the McCarran amendment. That is the stubborn fact that stares at us like a death's head. With me, that fact is controlling, whatever my predilections might be, if I had freedom of choice.

I repeat, this money comes out of other people's pockets. It comes out of the taxpayers' pockets. I had a letter the other day which charged that I paid too much attention to the taxpayer. The taxpayers, large and small, are providing this money. They are staggering beneath this burden. I wrote to my constituent that to destroy the taxpayer would be like cutting down the fruit tree to get the fruit. It would be like destroying the hive to get the honey. If I may say so, it is like cutting off the udder of the cow to get the milk. It destroys the source alike of revenue and of relief.

I wish to have printed in the RECORD a letter which I have received from the mayor of Waterbury, Conn. He outlines a plan of relief which was adopted in that city early in the depression. It is the best plan which has come to my attention. If it had been adopted throughout the country, more and better relief would have been provided and at a lesser cost and at a lesser sacrifice of morale.

Mr. President, if these debts and these taxes resulting from the system of relief adopted shall destroy the taxpayers of this country, if they ruin them financially, if they absorb their property, if they leave them bankrupts and mendicants, that consequence would be tragic enough; but if they destroy the morale, if they destroy the self-respect and the self-reliance of the beneficiaries of the relief, that, sir, would be a catastrophe, indeed, infinitely worse than the loss of property.

In Waterbury they assess a tax of 1 percent on income or wages from any and every source received by every inhabitant of that town drawing less than \$25 a week, a tax of 2

percent on incomes and wages between \$25 and \$50 a week, a tax of 3 percent on all incomes in excess of \$50 a week.

The Scovill Manufacturing Co. contributes \$1,500 a week to the relief fund. The fund is administered by a committee of seven, and the Scovill Manufacturing Co. designates one of the seven. Another taxpayer who contributes \$1,200 a week names another member. Another taxpayer contributing a thousand dollars a week names another member. This board administers the fund. They decide upon who is entitled to relief and who is not, and they receive work for every dollar expended.

The plan has worked successfully, and if anybody be concerned upon this point, the mayor advises me that it has turned out to be good politics, that the city administration has been twice reelected during the continuance and the application of this method of relief.

If we had had this plan throughout the country, the burden upon our taxpayers probably would have been not more than one-fifth, certainly not more than one-third, of what it is at present. It would have maintained and preserved the self-respect of our people, it would have limited relief to those who deserved it, and would not have permitted the payment of wages to employees who refused to reenter industry.

In some sections the present plan has made it practically impossible for farmers to obtain indispensable labor, and I know of particular instances which I could cite to establish that statement.

Mr. President, I ask that the letter from the mayor of Waterbury be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WATERBURY, CONN., January 29, 1935.

Hon. T. P. GORE,

United States Senate, Washington, D. C.

DEAR SENATOR: I am in receipt of your inquiry of January 9. It is true that our city did adopt a unique plan for dealing with the problem of unemployment relief early in the depression. It has been maintained; it did not break down under the relief policy of the general Government.

Briefly the scheme is this: Every worker in our city is supposed and in a great many cases does contribute 1 percent of his or her salary weekly. Workers earning more than \$25 and less than \$50 contribute 2 percent. Those above \$50 contribute 3 percent. This amount is collected by the employers and a sum equal to the total is donated by the employers. The three outstanding contributions by employers are as follows: The Scoville Mfg. Co., about \$1,500 per week; The American Brass Co., about \$1,200 per week; and the Chase Brass Co., about \$1,000 per week, as employment increases or decreases.

This fund is administered by a nonsectarian, nonpartisan board appointed by me, composed of a prominent banker, a prominent Catholic priest, a prominent Protestant minister, a prominent social-service worker, and the three heads of the employment departments of the three large companies previously mentioned.

The funds are spent almost entirely for labor. The number of days work given depending upon the size of the families. The committee is incorporated so that compensation insurance may be obtained. This insurance is furnished to us at cost by a patriotic agency in our city.

The work paid for by this fund is performed on city projects, such as storm sewers, extension of water mains in localities where the income would not justify the extension by the city in cemeteries, on our municipal golf course, and throughout our park system.

The peak load carried by this fund was in the winter of 1931-32 when 2,476 heads of families, averaging 4½, were taken care of in this manner. This was about one eighth of our population. The best proof that this plan is popular and acceptable is that my administration has been elected once and reelected twice during the depression by vastly increasing pluralities on each occasion. In our last election, in October 1933, our plurality was greater than the total vote of our opponents.

I trust this will cover whatever you had in mind. However, if it does not, please feel free to call upon me for any additional information.

With kindest personal regards, I am,

Sincerely yours,

FRANK HAYES,
Mayor of Waterbury.

Mr. GORE. Mr. President, I also desire to have printed in the RECORD a statement showing our disbursements per second for relief, amounting to \$58. The table shows the disbursements by the minute and the hour and the day, and shows the different objects to which the appropriations have

been devoted. This statement ought to be in the RECORD, because it will illuminate the subject.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Daily Oklahoman, Sunday, Mar. 10, 1935]

\$58 A SECOND IS SPENT FOR RELIEF IN UNITED STATES—FIGURES ON UNEMPLOYMENT SHOW UPWARD TREND DESPITE BILLIONS

WASHINGTON, March 9.—Fifty-eight dollars a second! That is the cost of relief in the United States. Every time a minute is ticked off on the clock, more than \$3,400 is poured into the relief hopper, to the tune of more than \$208,000 an hour, \$5,000,000 a day, or \$150,000,000 a month. And the load is increasing.

In May 1933, when the Federal Emergency Relief Administration, headed by Harry L. Hopkins, was created, there were 17,000,000 persons receiving relief in the United States. Today, 2 years later, after \$3,207,000,000 of Federal, State, and local funds have been expended to ameliorate the problem, there are 22,375,000 on Uncle Sam's relief roll.

TREND CONSTANTLY UPWARD

Federal Emergency Relief Administration figures show a constant upward trend in families and single persons on relief during the last 2 years.

For instance, in July 1933 there were 3,906,874 families, or 12 percent of the total population, receiving relief. There was a drop when the relief-work program reached its zenith but with the return of direct relief an increase came and in March 1934 there were 3,683,933, or 11 percent of the total population, on relief. In April this figure jumped to 4,437,242; it went to 4,817,365 in October and at the end of the year it hit 5,033,645.

With the rising relief tide, of course, came rising relief costs, and the F. E. R. A. figures reflect how, between 1933 and 1934, the Federal Government lifted more and more of the burden from the backs of States and municipalities.

UNITED STATES LOAD GROWS HEAVIER

In 1933 the Federal Government paid only 60.6 percent of the total relief costs. States paid 14.3 percent, and municipal funds 25.1 percent.

In 1934, F. E. R. A. figures show the Federal Government bearing 71.7 percent of the total burden, while the States' load had dropped to 13 percent and the local communities' to 15.3 percent.

In 1933 expenditures for relief aggregated \$792,763,027, of which the Federal Government contributed \$480,601,783, State governments, \$113,260,984, and local communities, \$198,900,260. During 1934 relief expenditures jumped to \$1,473,583,168, an increase of more than \$500,000,000.

The Federal Government's share of this huge expenditure in 1934 rose to \$1,067,279,932; the State's share increased slightly to \$185,342,860, while the local communities' went to \$220,960,376.

Officials say the relief load will increase rather than diminish until business recovery takes a firm grip upon the Nation or until the social-security program, with its concomitant plans for old-age pensions, unemployment insurance, and sick benefits becomes effective.

OFFICIALS ARE PLEASED

These officials look with satisfaction at their record of the last 2 years, during which \$3,207,000,000 has been spent. In the first place, they point out, 92.5 percent of this total has gone directly to relief, with only 7.5 for administrative expenses. In addition the money has been spent in normal channels of trade, thus contributing to recovery while supplying relief.

Of this gigantic total, \$2,267,000,000 represents the approximate sum contributed by the Federal, State, and local governments for direct relief during 1933 and 1934, while \$940,000,000 came from these three political subdivisions for the work-relief projects of the Civil Works Administration.

Of the C. W. A. expenditures, \$845,000,000 came from the Federal Government, while \$95,000,000 was contributed jointly by the States and local communities. This brings the total Federal expenditures to \$2,393,000,000 for the 2-year period, during which the State governments were supplying \$299,000,000 and the local communities \$420,000,000. Addition of these three last figures, plus the \$95,000,000 from the States and cities for C. W. A., produces the \$3,207,000,000 total.

The division of research, statistics, and finance of the F. E. R. A. has learned that there are 3,485,000 workers between the ages of 16 and 64 years now on relief rolls.

HOW TRADE GROUPS DIVIDE

Workers following skilled trades of the manufacturing and mechanical industries, together with semiskilled workers and laborers usually employed in these industries accounted for 1,529,000, or 43.9 percent of the total on relief in urban United States. Semiskilled workers, or factory operatives, accounted for 530,200, or 15.2 percent of the total. Laborers were represented to the extent of 298,000, or 8.6 percent.

Domestic and personal service accounts for 719,400 persons, or 20.6 of the total. Transportation and communication was the third largest group, with 361,000 workers unemployed, or 10.3 percent of the total. Trade represented 343,000 workers, or 9.9 percent. Clerical occupations involved 145,900 workers, or 4.2 percent, while professional service included 76,500 workers, or 2.2 percent.

Another important survey shows that 95 percent of the "transients" or "floaters" studied in 13 important cities during October, November, and December 1934 are employable in the sense that they are between the ages of 16 and 65 and are able and willing to work.

THREE IN AVERAGE FAMILY

The family groups studied averaged three persons and in the majority of cases contained only one gainful worker, usually the head. Of the heads it is estimated 90 percent are employable. The F. E. R. A. survey shows that young men vastly predominate among both the unattached transients and the heads of family groups.

These surveys are revealing. There is a tremendous value to the Government in knowing, for instance, that there are 109,400 carpenters on the relief rolls, that painters number 98,600, and that there are 32,200 plumbers receiving assistance. Mechanics have 54,100 on the rolls, blacksmiths 15,500, and engravers 12,000.

Relief officials believe, however, that it will be easier to find employment for persons falling in any of the above-named categories than in some of the professional classifications.

TWO THOUSAND EIGHT HUNDRED ARTISTS ON RELIEF

The F. E. R. A. survey shows that there are 6,500 actors and showmen on relief; 2,800 artists, sculptors, and teachers of art; 4,000 clergymen; 9,800 musicians and teachers of music; and 13,400 teachers in regular schools. These fields present difficulties. How, for instance, can employment in their own field be found for 4,000 preachers?

What the F. E. R. A. wants to do is expressed by Administrator Hopkins with relation to the unemployed. He says:

"They are not begging crumbs from the table of our Nation's wealth. They are willing workers, anxious to produce their share of our goods, but deprived of their opportunity because of the temporary maladjustment in our industrial system.

"I have said, and I say again, that while relief has met the emergency needs of the unemployed, it is not an effective and satisfactory method of meeting this problem over a long period of time. A way must be found to meet this problem of the unemployed, and of providing them with an opportunity for an American way of life."

Mr. COSTIGAN. Mr. President, my views on the pending amendment are not greatly at variance with those expressed today by the Senator from Wisconsin [Mr. LA FOLLETTE] and earlier in the day by the Senator from New York [Mr. WAGNER], but my vote will be different. One reason for the difference will be found in the parliamentary situation.

Happily, the issue of today can no longer be distorted into a clash between administration and antiadministration policies. Neither the worthy public purposes of the President of the United States nor those of the Senator from Nevada [Mr. McCARRAN] can be questioned. Through the proposed substantial relief and work-relief program the President is seeking to save the country from another industrial "nose dive." The Senator from Nevada is seeking at the same time to assure the maintenance, so far as is possible in this troubled period, of American wages and standards of living. All these objectives are desirable and admirable. Fortunately the amendment of the Senator from Georgia [Mr. RUSSELL] comes so close to that presented by the Senator from Nevada that it appears reasonable to believe that the outcome will not be disastrous, whichever amendment may be adopted.

From the beginning of the differences of opinion over the McCarran amendment, some of us who believe in it and have supported it, have labored unceasingly to prevent a deadlock which might imperil the success of the present public-works program. Separately and together Senators here have repeatedly endeavored to bring about an adjustment which reasonably meets the purposes sought from the beginning, alike by the President, the Senator from Nevada, and other proven friends of the working men and women of the United States. Although I personally prefer the McCarran amendment, I am satisfied that the present Russell amendment greatly improves the original amendment of the Senator from Georgia and goes far to meet the actualities involved in the prevailing wage controversy. It lays down at the outset, and does not defer for future investigation, the test which the President of the United States is to apply, namely, that wages fixed shall not lower or otherwise adversely affect prevailing wages. It also requires the same rule applied with respect to codes and permanent public buildings contained in the Davis-Bacon Act of March 3, 1931, and will, therefore, strongly fortify the country against any wage abuses under the large building program now in contemplation if and when entrusted to the President under the pending legislation.

The country is to be congratulated that so close an approach on essentials has been arrived at in the present hour between our public-spirited President and the Congress. It

is unthinkable that large public expenditures are to be dispensed with as a means of taking up the slack of unemployment in a period in which private capital remains indifferent or continues its present inactivity. It is also important for this country at this time when heroic efforts are being made to enlarge purchasing power, not to permit—as the President has promised he will not permit—existing purchasing power to be reduced below prevailing wages among the employed while we are endeavoring to increase purchasing power by giving work and paying wages to the unemployed.

Keeping all these considerations and the parliamentary situation in mind, it is my intention to vote first for the McCarran amendment and, if that is defeated or a deadlock results, to vote thereafter for the Russell amendment, as the best present legislative steps to serve the public welfare.

Mr. McCARRAN obtained the floor.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GUFFEY in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Radcliffe
Ashurst	Costigan	La Follette	Reynolds
Austin	Couzens	Lewis	Robinson
Bachman	Cutting	Lonergan	Russell
Bailey	Dickinson	Long	Schall
Bankhead	Dieterich	McAdoo	Schwellenbach
Barbour	Donahey	McCarran	Sheppard
Barkley	Duffy	McGill	Shipstead
Bilbo	Fletcher	McKellar	Smith
Black	Frazier	McNary	Steiwer
Bone	George	Maloney	Thomas, Okla.
Borah	Gerry	Metcalf	Thomas, Utah
Brown	Gibson	Minton	Townsend
Bulkeley	Glass	Moore	Trammell
Bulow	Gore	Murphy	Truman
Burke	Guffey	Murray	Vandenberg
Byrd	Hale	Neely	Van Nuys
Byrnes	Harrison	Norbeck	Wagner
Capper	Hastings	Norris	Walsh
Carey	Hatch	Nye	Wheeler
Clark	Hayden	O'Mahoney	White
Connally	Johnson	Pittman	
Coolidge	Keyes	Pope	

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness. I also announce that the Senator from Kentucky [Mr. LOGAN] and the Senator from Maryland [Mr. TYDINGS] are necessarily detained from the Senate.

The PRESIDENT pro tempore. Ninety Senators have answered to their names. A quorum is present.

Mr. McCARRAN. Mr. President, in this matter, so vital to the American Government, I am glad that I may have a closing word; and in closing I can do no better than to take as the text the lay and the song of the able Senator from New York [Mr. WAGNER], whose record, whose reputation, whose efforts in behalf of those who toil and those whose interests may be involved with toil have received almost world-wide recognition. The words are few. I use them as a text and a theory, and indeed a theme, in the closing remarks on this debate. He said in his address this morning:

I am unshaken in my belief that the prevailing-wage amendment in the form already adopted by the Senate charts the correct course.

The prevailing-wage amendment as already adopted by the Senate! He did not minimize his expressions, nor did he take from them the force or effect of his own thought. That statement came out of the heart of the Senator from New York, because he voted for the amendment, and never has he abandoned the principle therein involved. Later on, however, the learned Senator from Idaho [Mr. BORAH] put a question to him as to a differentiation between the so-called "Russell amendment" and the so-called "McCarran amendment"—if I may with propriety use my own name—and he said, if I may quote him substantially, that practically there was no difference, but that the one would receive a veto, and the other would be accepted by the President of the United States.

That brings me back again to his lines, because I think they should be dwelt upon. I am leaning on established

authority. I am only a novice in this situation, but I take my leadership from those who have given thought and consideration to the subject; and again I read the lines and the words of the learned Senator from New York:

I am unshaken in my belief that the prevailing wage amendment in the form already adopted by the Senate charts the correct course.

Is the Senator from New York supported in that statement? Does the amendment itself support him in it? Mr. President, we have only to read, first of all, the statute by which you are bound and by which I am bound; and, because it has been referred to so often, I refer by title to the Davis-Bacon Act, a statute of this country adopted by Congress. Then I am going to refer to something more, to the Public Works Administration, which from the time it was put into operation until the present hour, has adopted and carried out the prevailing wage scale. The C. W. A. carried out the prevailing wage scale.

Where would Senators think there might be a diversion from the principle of the prevailing wage scale? Would they not think it would be in that which came down to the form of direct relief? If they think so, let them dwell for a moment on the testimony of Mr. Harry Hopkins before the Senate Appropriations Committee, and dwell for a moment on his public statement when he said that all projects carried on under direct relief, under the F. E. R. A., should be carried on under the prevailing wage scale. Was there any relinquishment there of the principle and the ideal of this Government as enacted by its legislative body in times past?

Let us go just a little further. Whom do we represent? Do we represent the Executive of this country? If we do, then I think, with entire propriety, it might be well to reform our organic law. Was this body brought into existence to be subservient to any power? Is it not true that a democracy represents the voice of the people? And if it does represent the voice of the people, who put us here? And if we vote in a certain way, and someone else says, "You cannot vote that way", who will be held responsible? Can we go back and say, "Well, the President said he would veto this measure and, therefore, I could not vote for it"? But the people said to us, "Come here and speak for the democracy of the country. Speak for the 130,000,000, some who toil, and others who follow those who toil."

That brings me to another thought. Have the people themselves, in their respective capacities, spoken? Within the last 5 days I placed on the desks of Senators, by permission of this body, the statutes of some 25 States of the Union, if I am not mistaken, every one of which has enacted a law prescribing a minimum wage and a prevailing wage, and setting forth what it means, and what shall be done under it. Are we going to say to 25 States of the Union, "Your statutes are now nullified because someone said that the President would veto a great bill; the greatest appropriation measure in the history of the world"?

The President is going to veto the joint resolution if the McCarran amendment is adopted; but if the Russell amendment is adopted he will approve it, although my leader on this side of the Chamber—I refer to the junior Senator from New York [Mr. WAGNER]—a man to whom I have listened for years, who spoke in behalf of the Russell amendment this morning and who now is about to change his vote, said that the course mapped out by the Senate just a few days ago was the correct course.

In God's name, is there not something beyond? Is there not a manhood here that strikes high and mighty beyond everything else? If there is not, then why are we here?

Let us go into the matter just a little from a different angle.

Mr. LONG rose.

Mr. McCARRAN. I ask not to be interrupted except for a very brief question.

Mr. LONG. I want to ask my colleague whether he has seen the letter of President Roosevelt himself wherein he said:

I believe in the inherent right of every citizen to employment at a living wage and pledge my support to whatever means and measures may be necessary for inaugurating such public self-liquidating work.

Mr. McCARRAN. Mr. President, my mind has drifted just a little. From the great Empire State of New York we have not only 1 but 2 great Senators. I know that during all the struggle in the Appropriations Committee and during all the struggle in this body one of the Senators from New York has stood steadfast in voting for the amendment, while the other said his colleague was right. That is the queer thing about it. His colleague was right, but now he has changed his mind and does not go along, and he does not give the least explanation in the world.

Let me go back a little. The toilers in this country constitute the blood of the country. God made man, and man gave his consent to government. When he had given his consent to government, he became a part of the governing force. But God did not take from man the right to earn his bread by the sweat of his brow. God did not deprive man of the right to earn an honest living under an honest law.

Mr. CONNALLY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Texas?

Mr. McCARRAN. I yield.

Mr. CONNALLY. Under a good many of the projects proposed under the joint resolution, such as soil erosion, many little dams will be built and other work done that will involve some masonry work. That work will involve day labor, unskilled labor. In those same communities mason's wages are \$12 and \$13 per day. Would the Senator insist that for that kind of work we should pay day laborers \$12 or \$13 a day?

Mr. McCARRAN. In answer to the Senator from Texas, I will ask him to read the statutes of his own State of Texas. He cannot overcome them unless he wants to repudiate the statutes of that great State.

Mr. CONNALLY. The Senator from Texas is not repudiating anything. The Senator from Nevada is talking about a statute which relates to State work. This is not State work. This is Federal work. The Senator does not answer my question. Does he want to pay \$12 or \$13 a day to men engaged on soil-erosion work because they do a little masonry work building a little retaining wall to keep the soil from being washed away? Will the Senator answer my question?

Mr. McCARRAN. I will answer the Senator in two ways. If, by maintaining an hourly wage for those who work on masonry, I could maintain such an hourly wage as was recognized as the going scale of wages in the State of Texas, yes; but limit his income financially to—

Mr. CONNALLY. I did not ask the Senator that question. Does he favor paying such laborers \$12 or \$13 a day, the same as masons get? The Senator does not answer me.

Mr. McCARRAN. I favor paying the toiler what the toiler needs in keeping with the American standards of living.

Mr. CONNALLY. Then, if the Senator is talking about the toiler, and if that toiler is worth \$12 or \$13 a day, why should not every other toiler get \$12 or \$13 a day?

Mr. McCARRAN. I would give him \$26 a day if necessary to enable him to live on the American scale.

Mr. CONNALLY. Does the Senator think it is necessary to pay him \$26 a day?

Mr. McCARRAN. It is necessary to pay the American toiler whatever will enable him to live on the basis of the American standard of living. Fix the American standard of living at a dollar a day, if the Senator desires to do so. That is what is paid some of the toilers in Texas.

Mr. WHEELER. Mr. President—

Mr. McCARRAN. Mr. President, I have only a few minutes more, and I want to complete my statement. I apologize to the Senator from Montana and also to the Senator from Texas.

Mr. CONNALLY. No apology is necessary.

The PRESIDENT pro tempore. The Senator from Nevada has 4 minutes remaining.

Mr. McCARRAN. Mr. President, I want to cite a typical case for the consideration of this body. It is a typical case which grows out of the argument here today. The greatest project the American Government ever undertook was the building of Boulder Dam. Today the builders of Boulder Dam are—I shall not say under indictment, but they are subject to indictment because they have violated the laws of the United States. They are under investigation by the Interior Department. If Senators do not believe me, they can read the current press, and a brief investigation will disclose to them that \$500,000 is not any more than will encompass their fine.

It is said now that we should forget everything and rely on the President. There is not a man on the floor of the Senate today who would rely more on the President than would I.

I voted for the President. I ran for the Senate in order to support him. I have gone along with him in every proposal under which I thought the standards of American life could be maintained; and when the time comes when I must break from my party lines, I shall regret it more than will my party. I am an American first, however, and a Democrat afterward. I believe that labor in this country, the toilers, constitute the body politic and the red blood of the country. O my Democratic friends, when any of you who rode in on the shoulders of labor can say, "I forgot that after I was in", then, for God's sake, where is Democracy for the people of America?

Where today is there a Democrat who did not come into office on the shoulders of the toilers of his particular community? When did Democracy ever have a chance in the world save and except when it appealed—appealed, if you please—to the toilers of this country?

Do you not remember that during the McKinley campaign the votes of many laboring men were taken away from us by the slogan of the opposition—"A full dinner pail"? Now we ask, not necessarily for "a full dinner pail", but an opportunity to eat and live and have food and raiment. That is all Democracy is calling for in this amendment.

So far as I am concerned, I am going down with my ship. You may have defeated me today, but I hope to God I shall never reach the time when I shall say I am sorry that you defeated me.

I remember that I was one of 13 who went down here under the Economy Act; and we have come back little by little. We have brought back something to the soldiers and the ex-service men of the country and to the toilers of the country. I hope—because I have no personal ambition—I hope I shall not have to say, "I told you so."

Mr. President, I only ask, I only appeal, that justice be done. I only ask it in the language of the Senator from New York [Mr. WAGNER] when he says that the Senate of the United States mapped out the correct course and he voted for it, and the learned Senator from Wisconsin [Mr. LA FOLLETTE] voted for it.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee.

Mr. McCARRAN and other Senators called for the yeas and nays.

The PRESIDENT pro tempore. The yeas and nays have heretofore, earlier in the day, been ordered.

Mr. GLASS. Mr. President, I think I should say a word or two that will tend, I hope, to acquit the President of the United States of any suggestion or intimation of inconsistency in his attitude toward the respective opposing amendments to House Joint Resolution 117.

Distinguished lawyers, Members of this body, have failed to discern any material difference between the two amendments. Notably this may be gathered from the speech of the Senator from New York [Mr. WAGNER]; but a layman may discover this very practical difference between the two amendments: The President of the United States authorized me to say to the Senate that he would veto the one, and he

authorized the leader on this side of the Chamber to say that he would approve the other.

The President found in one of the amendments a very real and sinister danger to the Nation, and particularly to the working classes of the country. He justified his opposition to the one amendment upon the ground that it would involve an additional expenditure of nearly \$1,500,000,000, and he justified his proposed approval of the other amendment upon the ground that it would not involve the expenditure of an additional dollar. In this connection he said that the additional expenditure of a billion and a half dollars would so tax the credit of the United States in the circumstances that he could not bring himself to approve the amendment.

I need not repeat the statements and accompanying figures which I used week before last in discussing this matter. The credit of the United States today is entirely taken care of by the banks of the United States, and not by the investing public. The Treasury issues are apportioned to the banks of the United States, and their portfolios are overflowing with Treasury securities. It is stated upon reliable and high authority that a depreciation of 10 percent in these securities would render insolvent 90 percent of the banks of the country.

If that should occur, Mr. President, let us see in a word what would happen to the laboring classes of the country. It would mean not only the break-down of the credit of the United States as a government but it would have disastrous effect upon every State, upon every municipality, upon every subdivision of every State. It would have disastrous effect upon every corporation, upon every individual concern that must transact its business by the issue of securities. It would mean a curtailment of employment instead of a cure for unemployment. It would be a vastly greater menace, and is today a vastly greater menace, to the working classes of the country than the 3,500,000 idle people now on the relief rolls, and that is menace enough.

So there has not been one particle of inconsistency on the part of the Chief Executive in signifying his opposition to one of these amendments, and his readiness to approve the other.

That is all I care to say.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Nevada [Mr. McCARRAN] in the nature of a substitute for the amendment of the Senator from Georgia [Mr. RUSSELL] to the amendment of the committee. The amendment proposed by the Senator from Nevada will be stated.

The CHIEF CLERK. In lieu of the amendment proposed by Mr. RUSSELL in the nature of a substitute for the amendment of the committee, it is proposed to strike out section 6 as reported by the committee and in lieu thereof to insert the following.

SEC. 6. The President is authorized to prescribe, and shall give full publicity to, rules and regulations necessary to carry out the purpose of this joint resolution: *Provided, however,* That (a) such rules and regulations shall stipulate that the rates of wages paid to all laborers and mechanics employed by any contractor or subcontractor or by the public officer in charge for the United States or for the District of Columbia, for work done under this joint resolution, whether by contract or otherwise, involving the expenditure of any money appropriated by the resolution, need not be uniform throughout the United States but shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia: *Provided, however,* That nothing in this section shall apply to the administration of the Civilian Conservation Corps; (b) rules and regulations prescribed under this section shall not abrogate any existing law.

The PRESIDENT pro tempore. On the amendment of the Senator from Nevada the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ADAMS (when his name was called). On this vote I have a pair with the senior Senator from Maryland [Mr. TYNINGS]. If he were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. LEWIS (when Mr. LOGAN's name was called). I announce the necessary absence of the Senator from Kentucky [Mr. LOGAN] and am authorized to state that he is paired with the Senator from Pennsylvania [Mr. DAVIS]. Were both Senators present and voting, the Senator from Kentucky [Mr. LOGAN] would vote "nay" and the Senator from Pennsylvania [Mr. DAVIS] would vote "yea."

The roll call was concluded.

Mr. LEWIS. Mr. President, I desire to announce the absence of the junior Senator from Arkansas [Mrs. CARAWAY] and the junior Senator from Louisiana [Mr. OVERTON], both Senators detained by illness. I am directed to state that if the Senator from Arkansas [Mrs. CARAWAY] were present she would vote "yea" on the McCarran amendment.

I am instructed to announce the pair of the junior Senator from Louisiana [Mr. OVERTON] with the senior Senator from South Dakota [Mr. NORBECK], and to state that if present and voting the Senator from Louisiana [Mr. OVERTON] would vote "yea" and the Senator from South Dakota [Mr. NORBECK] would vote "nay."

I also desire to announce that the senior Senator from Pennsylvania [Mr. DAVIS] is detained from the Senate by illness.

The result was announced—yeas 38, nays 50, as follows:

YEAS—38			
Barbour	Dickinson	Maloney	Thomas, Okla.
Bone	Donahey	Murray	Townsend
Borah	Frazier	Neely	Truman
Bulkley	Hastings	Norris	Vandenberg
Capper	Johnson	Nye	Van Nuys
Carey	Loneragan	Reynolds	Walsh
Copeland	Long	Schall	Wheeler
Costigan	McCarran	Schwellenbach	White
Couzens	McGill	Shipstead	
Cutting	McNary	Steinwer	
NAYS—50			
Ashurst	Clark	Harrison	O'Mahoney
Austin	Connally	Hatch	Pittman
Bachman	Coolidge	Hayden	Pope
Bailey	Dieterich	Keyes	Radcliffe
Bankhead	Duffy	King	Robinson
Barkley	Fletcher	La Follette	Russell
Bilbo	George	Lewis	Sheppard
Black	Gerry	McAdoo	Smith
Brown	Gibson	McKellar	Thomas, Utah
Bulow	Glass	Metcalf	Trammell
Burke	Gore	Minton	Wagner
Byrd	Guffey	Moore	
Byrnes	Hale	Murphy	
NOT VOTING—7			
Adams	Davis	Norbeck	Tydings
Caraway	Logan	Overton	

So the amendment of Mr. McCARRAN, in the nature of a substitute for the amendment of Mr. RUSSELL to the amendment of the committee, was rejected.

The PRESIDENT pro tempore. The question now recurs upon the amendment of the Senator from Georgia [Mr. RUSSELL] in the nature of a substitute for the committee amendment. The amendment of the Senator from Georgia will be stated.

The CHIEF CLERK. In lieu of the amendment proposed by the committee inserting section 6, it is proposed to insert the following:

The President shall require to be paid such rates of pay for all persons engaged upon any project financed in whole or in part, through loans or otherwise, by funds appropriated by this joint resolution, as will in the discretion of the President accomplish the purposes of this act, and not affect adversely or otherwise tend to decrease the going rates of wages paid for work of a similar nature.

The President may fix different rates of wages for various types of work on any project, which rates need not be uniform throughout the United States: *Provided, however,* That whenever permanent buildings for the use of any department of the Government of the United States, or the District of Columbia, are to be constructed by funds appropriated by this joint resolution for which rates of wages are now determined in accordance with the provisions of any law of the United States or any code, the President shall fix the rate of wages upon such public buildings in accordance with such laws and codes.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. ADAMS (when his name was called). On this question I have a pair with the senior Senator from Maryland [Mr. TYDINGS], but I am advised that if he were present,

he would vote as I intend to vote. I therefore feel at liberty to vote, and vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the necessary absence of the Senator from Pennsylvania [Mr. DAVIS] on account of illness. If present, he would vote "yea."

I also announce the absence of the Senator from South Dakota [Mr. NORBECK] on official business. If present, he would vote "yea" on this question.

Mr. LEWIS. I rise to announce the absence of the junior Senator from Arkansas [Mrs. CARAWAY] and the junior Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I also announce the absence of the Senator from Maryland [Mr. TYDINGS] and the Senator from Montana [Mr. MURRAY], who are necessarily detained from the Senate. I am directed to announce that if they were present, they would vote "yea" on this question.

I also announce the absence of the Senator from Kentucky [Mr. LOGAN], caused by illness. He desired to have the announcement made that if he were present, he would vote "yea" on this question.

The result was announced—yeas 83, nays 2, as follows:

YEAS—83			
Adams	Connally	Johnson	Radcliffe
Ashurst	Coolidge	Keyes	Reynolds
Austin	Costigan	King	Robinson
Bachman	Couzens	La Follette	Russell
Bailey	Cutting	Lewis	Schall
Bankhead	Dickinson	Loneragan	Schwellenbach
Barbour	Dieterich	McAdoo	Sheppard
Barkley	Donahey	McCarran	Shipstead
Bilbo	Duffy	McGill	Smith
Black	Fletcher	McKellar	Steinwer
Bone	Frazier	McNary	Thomas, Okla.
Borah	George	Maloney	Thomas, Utah
Brown	Gerry	Minton	Townsend
Bulkley	Gibson	Moore	Trammell
Bulow	Glass	Murphy	Truman
Burke	Gore	Neely	Vandenberg
Byrd	Guffey	Norris	Van Nuys
Byrnes	Harrison	Nye	Wagner
Capper	Hastings	O'Mahoney	Walsh
Carey	Hatch	Pittman	White
Clark	Hayden	Pope	
NAYS—2			
Hale	Metcalf		
NOT VOTING—10			
Caraway	Logan	Norbeck	Tydings
Copeland	Long	Overton	Wheeler
Davis	Murray		

So the amendment of Mr. RUSSELL, in the nature of a substitute for the committee amendment, was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee, as amended.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The next amendment of the Committee on Appropriations was, on page 8, after line 20, to insert a new section, as follows:

SEC. 7. Wherever practicable in the carrying out of the provisions of this joint resolution, full advantage shall be taken of the facilities of private enterprise.

Mr. LONG. Mr. President, may I ask the Senator from Virginia a question? How long does the Senator intend to proceed this afternoon? It is now practically 6 o'clock.

Mr. GLASS. I am ready now to move a recess, but the amendment just stated has previously been agreed to by the Senate. Why not let it be agreed to now?

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

CONTROL OF ARMS AND MUNITIONS (S. DOC. NO. 33)

Mr. POPE. I ask unanimous consent to have printed as a Senate document a proposal which I believe is of great value for the control of arms and munitions. I have taken up the matter with the Chairman of the Printing Committee.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the matter will be printed as a Senate document.

EXECUTIVE SESSION

Mr. GLASS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers in the Regular Army.

Mr. COUZENS, from the Committee on Banking and Currency, reported favorably the nomination of Charles T. Fisher, Jr., of Michigan, to be a member of the Board of Directors of the Reconstruction Finance Corporation for the unexpired portion of the term of 2 years from January 22, 1934, vice John J. Blaine, deceased.

Mr. GUFFEY, from the Committee on Finance, reported favorably the following nominations:

Edwin H. Dressel, of Philadelphia, Pa., to be superintendent of the mint of the United States at Philadelphia, Pa., in place of A. Raymond Raff; and

A. Raymond Raff, of Philadelphia, Pa., to be collector of customs of customs collection district no. 11, with headquarters at Philadelphia, Pa., to fill an existing vacancy.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

The calendar is in order.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk read the nomination of James C. Breckinridge to be major general from the 1st day of February 1935.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

RECESS

Mr. GLASS. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock p. m.) the Senate, in legislative session, took a recess until tomorrow, Saturday, March 16, 1935, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 15 (legislative day of Mar. 13), 1935

DIPLOMATIC AND FOREIGN SERVICE

Frank P. Lockhart, of Texas, now a Foreign Service officer of class 2 and a consul general, to be also a secretary in the diplomatic service of the United States of America.

George A. Makinson, of California, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

UNITED STATES ATTORNEY

Howard L. Doyle, of Illinois, to be United States attorney, southern district of Illinois, to succeed Frank K. Lemon, term expired.

APPOINTMENT IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenant with rank from March 12, 1935

First Lt. John Thompson Brown Strode, Medical Corps Reserve.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Capt. Winfield Scott Roberson, Field Artillery (detailed in Adjutant General's Department), with rank from March 26, 1931.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Ralph Talbot Ward, Corps of Engineers, from March 9, 1935.

TO BE LIEUTENANT COLONEL

Maj. William Augustus Beach, Adjutant General's Department, from March 9, 1935.

TO BE MAJOR

Capt. Oliver Tillman Simpson, Finance Department, from March 9, 1935.

TO BE CAPTAIN

First Lt. Farrin Allen Hillard, Infantry, from March 9, 1935.

TO BE FIRST LIEUTENANT

Second Lt. Fred Stuart Stocks, Air Corps, from March 9, 1935.

PROMOTIONS IN THE NAVY

Rear Admiral Adolphus Andrews, United States Navy, to be Chief of the Bureau of Navigation, in the Department of the Navy, with the rank of rear admiral, for a term of 4 years, from the 30th day of June 1935.

Capt. Harold G. Bowen, United States Navy, to be Engineer in Chief and Chief of the Bureau of Engineering in the Department of the Navy with the rank of rear admiral, for a term of 4 years from the 29th day of May 1935.

Commander Herbert B. Riebe to be a captain in the Navy from the 12th day of December 1934.

Commander Thaddeus A. Thomson, Jr., to be a captain in the Navy from the 1st day of February 1935.

Lt. Comdr. Albert H. Rooks to be a commander in the Navy from the 27th day of January 1935.

Lt. Floyd J. Nuber to be a lieutenant commander in the Navy from the 30th day of June 1934.

The following-named lieutenants (junior grade) to be lieutenants in the Navy to rank from the dates stated opposite their names:

Joseph A. Farrell, Jr., June 1, 1934.

George L. Purmort, August 1, 1934.

Frederick B. Warder, September 1, 1934.

Waldo Tullsen, September 1, 1934.

Anthony L. Rorschach, November 10, 1934.

William B. Colborn, December 1, 1934.

Ernest St. C. von Kleeck, Jr., December 1, 1934.

Jackson S. Champlin, December 12, 1934.

Clarence C. Ray, December 28, 1934.

Roger B. Nickerson, March 1, 1935.

Joseph W. Ludewig, March 1, 1935.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 4th day of June, 1934:

Thomas J. Greene

Walter C. Bailey

Edward H. Allen

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934:

Charles F. House

John Ball

Joseph G. Hagstrom

Boatswain Patrick J. Bryne to be a chief boatswain in the Navy, to rank with but after ensign, from the 1st day of October 1934.

Electrician Edward S. Pelling to be a chief electrician in the Navy, to rank with but after ensign, from the 1st day of October 1934.

Pay Clerk Arthur C. Larsen to be a chief pay clerk in the Navy, to rank with but after ensign, from the 27th day of June 1934.

POSTMASTERS

ARKANSAS

Author M. Steele to be postmaster at Gentry, Ark., in place of A. R. Beard. Incumbent's commission expired June 17, 1934.

Will A. Bostick to be postmaster at Van Buren, Ark., in place of W. H. Taylor. Incumbent's commission expired December 16, 1934.

CALIFORNIA

Birda E. Paddock to be postmaster at Lomita, Calif., in place of L. M. McClary, removed.

William S. Williams to be postmaster at Loomis, Calif., in place of C. G. Brainerd. Incumbent's commission expired February 14, 1935.

Harry B. Morey to be postmaster at Menlo Park, Calif., in place of B. G. Larrecou. Incumbent's commission expired May 7, 1934.

Garrett Curley to be postmaster at Rivera, Calif., in place of F. C. Harvey. Incumbent's commission expired February 21, 1935.

Kelley C. Osgood to be postmaster at Riverbank, Calif., in place of J. H. Steele. Incumbent's commission expired January 29, 1933.

CONNECTICUT

Agnes Reilly Collins to be postmaster at Woodmont, Conn., in place of D. S. Phillips, removed.

FLORIDA

Lona F. Baxley to be postmaster at Bay Pines, Fla. Office became Presidential January 1, 1935.

Beulah S. Hanna to be postmaster at Hastings, Fla., in place of I. H. Smith. Incumbent's commission expired December 20, 1934.

William C. Hill to be postmaster at Miami, Fla., in place of O. W. Pittman, removed.

Frederick F. Stump to be postmaster at Starke, Fla., in place of J. C. Young. Incumbent's commission expired July 3, 1934.

GEORGIA

John Frank Chappell to be postmaster at Americus, Ga., in place of D. F. Davenport. Incumbent's commission expired April 28, 1934.

IDAHO

Willis M. Sears to be postmaster at Albion, Idaho, in place of W. M. Sears. Incumbent's commission expired February 5, 1935.

Willard Adams to be postmaster at Rigby, Idaho, in place of O. S. Cordon. Incumbent's commission expired June 17, 1934.

ILLINOIS

Henry R. Engel to be postmaster at Beecher City, Ill., in place of R. H. Jennings, removed.

Scottie Brown to be postmaster at Edgewood, Ill., in place of Orville Donaldson, resigned.

Paul H. Sachtleben to be postmaster at Hoyleton, Ill., in place of G. C. Michael, resigned.

Anthony H. Koselke to be postmaster at Lansing, Ill., in place of W. E. Erfert, Jr. Incumbent's commission expired March 18, 1934.

Donald C. Simons to be postmaster at Maple Park, Ill., in place of M. J. Moore, resigned.

Madeline E. Brannick to be postmaster at Minooka, Ill., in place of E. H. Jones. Incumbent's commission expired December 18, 1933.

Mary Bellert Corson to be postmaster at Northbrook, Ill., in place of E. L. Griese. Incumbent's commission expired December 18, 1933.

INDIANA

Helen B. Fultz to be postmaster at Crothersville, Ind., in place of C. W. Bard, resigned.

Walter R. Meinert to be postmaster at Silver Lake, Ind., in place of R. W. Jontz. Incumbent's commission expired March 8, 1934.

IOWA

Carl L. Anderson to be postmaster at Sac City, Iowa, in place of L. R. Hughes, deceased.

KANSAS

Harold P. Knipe to be postmaster at Grinnell, Kans., in place of E. W. Davis. Incumbent's commission expired January 28, 1934.

Ila M. Menefee to be postmaster at Hoxie, Kans., in place of Grace Wilson, resigned.

Wilbert F. Kunze to be postmaster at Kensington, Kans., in place of D. M. Dimond. Incumbent's commission expired June 20, 1934.

Joseph H. Schneider to be postmaster at Nortonville, Kans., in place of D. E. Hill. Incumbent's commission expired June 20, 1934.

Elmer L. G. Epperson to be postmaster at Scott City, Kans., in place of E. J. Starr. Incumbent's commission expired December 18, 1934.

John E. Barrett to be postmaster at Topeka, Kans., in place of R. C. Caldwell, retired.

Joseph B. Riddle to be postmaster at Wichita, Kans., in place of Bruce Griffith. Incumbent's commission expired March 18, 1934.

KENTUCKY

William T. Carlin to be postmaster at Buschel, Ky., in place of A. M. Seaton. Incumbent's commission expired March 18, 1934.

Ruby V. Vaughn to be postmaster at Clay, Ky., in place of R. L. Wilkey, removed.

John A. Goodman to be postmaster at Elkton, Ky., in place of King Prewitt. Incumbent's commission expired January 11, 1934.

Joe R. Richardson to be postmaster at Glasgow, Ky., in place of J. H. Branstetter. Incumbent's commission expired January 23, 1935.

MAINE

Adelbert L. Mains to be postmaster at Mechanic Falls, Maine, in place of L. O. Spiller. Incumbent's commission expired December 20, 1934.

Archie R. King to be postmaster at Saco, Maine, in place of R. A. Alexander. Incumbent's commission expired April 2, 1934.

MICHIGAN

Frank E. Kros to be postmaster at Alanson, Mich., in place of M. S. Markham. Incumbent's commission expired May 2, 1934.

Henry W. Boyle to be postmaster at Bark River, Mich., in place of H. W. Boyle. Incumbent's commission expired January 13, 1935.

Mayme Arnestad to be postmaster at Marenisco, Mich., in place of E. H. Ormes. Incumbent's commission expired March 8, 1934.

John C. Vaughn to be postmaster at Trout Creek, Mich., in place of V. L. Hardes. Incumbent's commission expired January 28, 1934.

MINNESOTA

Harold E. Otterstein to be postmaster at Amboy, Minn., in place of A. R. Wilder. Incumbent's commission expired May 20, 1934.

Joseph L. Zimmerman to be postmaster at Aurora, Minn., in place of H. H. Knuti. Incumbent's commission expired July 3, 1934.

William C. Wiench to be postmaster at Bagley, Minn., in place of W. C. Wiench. Incumbent's commission expired February 25, 1935.

Warren B. Lievan to be postmaster at Mapleton, Minn., in place of W. R. Ackerman. Incumbent's commission expired May 20, 1934.

Mae A. Lovestrom to be postmaster at Stephen, Minn., in place of M. A. Lovestrom. Incumbent's commission expired February 20, 1935.

Herman J. Ricker to be postmaster at Freeport, Minn., in place of H. J. Ricker. Incumbent's commission expired February 20, 1935.

Virginia B. Flentje to be postmaster at Round Lake, Minn., in place of J. N. Kain. Incumbent's commission expired April 2, 1934.

Henry C. Megrund to be postmaster at Shelly, Minn., in place of H. C. Megrund. Incumbent's commission expired February 20, 1935.

MISSISSIPPI

Faye V. Peel to be postmaster at Potts Camp, Miss., in place of E. V. Montgomery. Incumbent's commission expired June 20, 1934.

MISSOURI

William S. Drace to be postmaster at Centralia, Mo., in place of E. J. Schmidt, deceased.

David Fitzwater to be postmaster at Creve Coeur, Mo., in place of L. E. Decker, removed.

L. Dorsey Mitchell to be postmaster at La Grange, Mo., in place of S. C. Accola. Incumbent's commission expired December 20, 1932.

Tom C. Short to be postmaster at Mountain Grove, Mo., in place of J. R. Archer. Incumbent's commission expired May 3, 1933.

Merlin L. Grannemann to be postmaster at New Haven, Mo., in place of H. W. Werges. Incumbent's commission expired March 8, 1934.

Grover C. Young to be postmaster at Niangua, Mo., in place of A. B. Calame, removed.

Adolph H. Zoellner to be postmaster at Perryville, Mo., in place of Charles Litsch. Incumbent's commission expired February 25, 1935.

NEBRASKA

Jacob Fred Koehler to be postmaster at Fort Crook, Nebr., in place of Mabel Schantz. Incumbent's commission expired June 2, 1934.

NEW HAMPSHIRE

Harry B. Burt to be postmaster at Amherst, N. H., in place of H. B. Burt. Incumbent's commission expired December 16, 1933.

NEW JERSEY

Minnie I. McKeen to be postmaster at Avalon, N. J., in place of W. A. Smith. Incumbent's commission expired June 24, 1934.

James T. Brady to be postmaster at Bayonne, N. J., in place of C. H. Conner, resigned.

John Jenkins to be postmaster at Port Norris, N. J., in place of S. T. Garrison. Incumbent's commission expired December 20, 1932.

NEW MEXICO

Lillian E. Howard to be postmaster at Portales, N. Mex., in place of H. M. Armstrong. Incumbent's commission expired March 22, 1934.

NEW YORK

Priscilla A. Fairbanks to be postmaster at Ashville, N. Y., in place of J. G. Loomis, removed.

Carlton A. Daigler to be postmaster at Clarence, N. Y., in place of H. N. Rothenmeyer, removed.

John P. Hewitt to be postmaster at Phelps, N. Y., in place of J. A. Page, removed.

NORTH CAROLINA

Joseph C. Allen to be postmaster at Durham, N. C., in place of J. K. Mason. Incumbent's commission expired February 4, 1935.

Singleton F. Thompson to be postmaster at Flat Rock, N. C., in place of W. F. Justus, resigned.

Helen B. Siler to be postmaster at Siler City, N. C., in place of R. H. Dixon, deceased.

Fred M. Mills to be postmaster at Wadesboro, N. C., in place of C. A. Bland. Incumbent's commission expired December 20, 1934.

NORTH DAKOTA

Otis Malone to be postmaster at Almont, N. Dak., in place of C. E. Kelsven. Incumbent's commission expired December 16, 1933.

John A. Knapp to be postmaster at Binford, N. Dak., in place of C. E. Peterson. Incumbent's commission expired January 22, 1934.

William F. Moede to be postmaster at Dunn Center, N. Dak., in place of L. L. Hintz. Incumbent's commission expired December 10, 1932.

Agnes S. Reynolds to be postmaster at Edmore, N. Dak., in place of Worthy Wing. Incumbent's commission expired May 27, 1933.

Michael C. Rausch to be postmaster at Elgin, N. Dak., in place of P. M. Bell, removed.

Francis W. Powers to be postmaster at Havana, N. Dak., in place of H. M. Leach. Incumbent's commission expired January 11, 1934.

Thelma G. Bohrer to be postmaster at Stanton, N. Dak., in place of E. G. Sagehorn. Incumbent's commission expired March 18, 1934.

OHIO

C. Woodrow Wilson to be postmaster at Lyons, Ohio, in place of H. C. Wilson, deceased.

OREGON

John C. Bilyou to be postmaster at Tigard, Oreg., in place of J. A. Crabtree. Incumbent's commission expired December 7, 1932.

PENNSYLVANIA

Mary G. Wilson to be postmaster at George School, Pa., in place of M. G. Wilson. Incumbent's commission expired June 20, 1934.

Elmer T. Smith to be postmaster at Hopewell, Pa., in place of B. F. Evans. Incumbent's commission expired February 25, 1934.

William S. Bolinski to be postmaster at Mocanaqua, Pa., in place of B. M. Harter. Incumbent's commission expired November 6, 1933.

George E. Lay to be postmaster at Monaca, Pa., in place of F. T. Dindinger. Incumbent's commission expired January 28, 1934.

John J. Roll to be postmaster at Natrona Heights, Pa. Office became Presidential July 1, 1934.

Philip A. Schmidt to be postmaster at Ringtown, Pa., in place of Ulysses Breisch. Incumbent's commission expired February 14, 1934.

John Zelinski to be postmaster at Simpson, Pa. Office became Presidential January 1, 1935.

SOUTH DAKOTA

Clarence J. Curtin to be postmaster at Emery, S. Dak., in place of C. J. Curtin. Incumbent's commission expired June 2, 1934.

TEXAS

James C. Erwin to be postmaster at Alto, Tex., in place of C. E. Wood. Incumbent's commission expired March 22, 1934.

Luther G. Porter to be postmaster at Bangs, Tex., in place of W. W. Layman. Incumbent's commission expired April 15, 1934.

Albert P. Hinton to be postmaster at Columbus, Tex., in place of Louis Waldvogel. Incumbent's commission expired June 20, 1934.

Anton C. Mussil to be postmaster at Granger, Tex., in place of C. E. Wayman. Incumbent's commission expired May 31, 1933.

Helen L. Hall to be postmaster at League City, Tex., in place of A. E. Harris. Incumbent's commission expired December 11, 1933.

Fred M. Carrington to be postmaster at Marquez, Tex., in place of F. M. Carrington. Incumbent's commission expired May 2, 1934.

Robert H. Patterson to be postmaster at Mullin, Tex., in place of S. J. Eaton. Incumbent's commission expired March 22, 1934.

VIRGINIA

Harvey G. McGlothlin to be postmaster at Richlands, Va., in place of M. E. Spratt, removed.

WASHINGTON

Thomas H. Mansfield to be postmaster at Forks, Wash., in place of G. D. Fletcher. Incumbent's commission expired September 19, 1933.

Walter A. Arend to be postmaster at Friday Harbor, Wash., in place of E. H. Nash, deceased.

WISCONSIN

William J. Sullivan to be postmaster at Campbellsport, Wis., in place of R. L. Raymond. Incumbent's commission expired June 2, 1934.

Gus W. Schiereck to be postmaster at Plymouth, Wis., in place of C. C. Corbett. Incumbent's commission expired April 28, 1934.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 15 (legislative day of Mar. 13), 1935

PROMOTIONS IN THE NAVY

MARINE CORPS

James C. Breckinridge to be major general.

POSTMASTERS

ALABAMA

Velma P. Mickam, Bridgeport.
Alida J. Cox, Spring Hill.

CALIFORNIA

Ford E. Samuel, Alameda.
Raymond P. Hawkins, Alleghany.
Carl T. Mills, Angels Camp.
Will A. Shepard, Auburn.
Joe H. Moore, Calipatria.
Josephine M. Costa, Downieville.
Hazel M. McFarland, Folsom City.
Clara M. Scott, Kerman.
Nathan L. Rannels, La Jolla.
Alice E. Tate, Lone Pine.
Vernie E. Sherraden, Ludlow.
William T. Martin, Montague.
Louis A. Thomas, National City.
Julia A. Monahan, Newcastle.
Suda B. Gallaher, Orange Cove.
Arvin P. Ralston, Patterson.
James R. Simmons, Pismo Beach.
William A. Needham, Rialto.
Manuel Dos Reis, Jr., San Anselmo.
Donald M. Stewart, San Diego.
Amelia S. Rose, San Lorenzo.
Lowell C. Pratt, Selma.
John W. Russell, Tujunga.
Clarence H. Godshall, Victorville.
Edward I. Leake, Woodland.
Fred C. Alexander, Yosemite National Park.
Robert H. DeWitt, Jr., Yreka.

CONNECTICUT

Moses W. Rathbun, Noank.
William M. Logan, West Cheshire.

GEORGIA

Moses J. Guyton, Dublin.
Nell Raley, Mitchell.
Sam Tate, Tate.
Willie B. Persons, Warm Springs.

KENTUCKY

Clifford O. Ducker, Butler.
Dennis L. Sullivan, Corinth.
Homer J. Northcutt, Covington.
Marie M. LeBray, Nazareth.
Mary Virginia Garvey, Sanders.

MISSOURI

Robert L. Ellis, Ava.
Raymond K. Elliott, Bunceton.

C. Leslie Parks, Cole Camp.
Elmer E. Sagehorn, Concordia.
William O. Morris, Eugene.
Ivan Nile Knowles, Green Castle.
Sadie E. Burnett, Norwood.
Youree Douglas Adair, Odessa.
Mary T. Barnes, Pilot Grove.
Harry F. Allen, Powersville.
Eva G. Allen, Rutledge.
Earl A. Seay, Salem.
Edward J. Dempsey, Shelbina.
Abe Paul, South West City.
Edward J. Fry, Stover.
Clinton O. Brockman, Tuscumbia.
Victor V. Long, Waynesville.
J. Talmage Loyd, Winona.
Mabel Smulling, Wyaconda.

NEW YORK

Howard R. Stevens, Hopewell Junction.
Edward A. Laundree, Keesville.
Frederick J. Clum, Pawling.
Robert P. Dumas, Plattsburg.
Mary E. Gainor, Salem.
Edward Fennell, Savannah.

NORTH CAROLINA

Wiley H. Taylor, Beaufort.
Robert D. McLeod, Biscoe.
Willard T. Martin, Bryson City.
Richard Homer Andrews, Burlington.
George E. Walker, Hemp.
Ernest W. Ewbank, Hendersonville.
Anna D. Rathbone, Lake Junaluska.
Raymond R. Eagle, New Bern.
George W. Stuart, Troy.
Sterling B. Pierce, Weldon.
Montgomery T. Speir, Winterville.

OHIO

Gerald L. Whaley, Fayette.
Lee B. Milligan, Lowellville.
Albert P. McQuade, New Straitsville.
Paul F. Dye, Urbana.

OREGON

Vincent Byram, Gold Beach.
Volney E. Lee, North Powder.
William Reid, Rainier.
Emil F. Massing, Vernonia.

UTAH

A. Clair Ford, Kanab.
Anna M. Long, Marysville.
William Brooks, St. George.
William Hazen Hillyard, Smithfield.

WISCONSIN

George H. Kilb, Adell.
Grant E. Denison, Carrollville.
Joseph K. Hesselink, Cedar Grove.
Basil J. Faherty, Cuba City.
Clarence L. Jordalen, Deerfield.
Leonard J. Mulrooney, Fennimore.
James D. Cook, Marinette.
John Bichler, Port Washington.
Mae McCoy, Sparta.
Carl C. Schlecht, Woodruff.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 15, 1935

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou God of love and mercy, whom Jesus taught us to call Father, Thy providence stands again most blessed. Enable us each day to prove ourselves worthy of our God and our Father. Gracious Lord, our country, what a priceless

heritage it is, with its splendid traditions, sacred institutions made possible by our heroic sires. O may it continue to challenge our loyalty and thrill the hearts of our people of every section. Seated as we are in the high councils of state, conceived as a sacred trust, do Thou put Thy hand upon us. Make us sensitively conscious of our everlasting obligations which we cannot escape. While Thou art God, and truth is truth, there can be no world, no star, and no universe where it is not best to deal justly and love mercy. Thy unyielding commandment is written over all things. Heavenly Father, lead us by the word of Thy truth, by the direction of Thy wisdom, and by the grace of Thy Holy Spirit, and Thine shall be the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under the special order the gentleman from Wisconsin [Mr. BOILEAU] is recognized for 10 minutes.

Mr. BOILEAU. Mr. Speaker, yesterday the gentleman from Arkansas [Mr. FULLER] used his time to criticize some of the liberal Members of the House, representing all political parties, who got together last Saturday to determine whether or not there was some common ground upon which they could all stand. It seems rather strange to me that the gentleman from Arkansas should be the one selected to make that speech and to reprimand particularly the Democratic Members of the House who attended the meeting on last Saturday. It seems rather strange that he should be selected to make that speech, particularly in view of the fact that at the present time he enjoys the distinction of being chairman of the Democratic patronage committee.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. O'CONNOR. Has the gentleman any information that the gentleman from Arkansas was "selected"?

Mr. BOILEAU. It seems so; perhaps I am mistaken.

Mr. O'CONNOR. The gentleman is wrong in the use of that word. I think it was done under the personal responsibility of the gentleman from Arkansas.

Mr. BOILEAU. The gentleman from Arkansas in reply to a question did not state whether or not he was speaking in behalf of the leaders; I do not know whether he was or not, and I do not care. The fact remains that the Democratic chairman of the patronage committee saw fit to make the speech, and undoubtedly it was an attempt to intimidate those members of the Democratic Party who saw fit to affiliate themselves to the extent of attending a meeting with other liberal Members of this House, from all political parties, in an effort to see whether or not some common ground could not be found so that they might make a concerted effort to advance a legislative program in which they were all vitally interested.

I find no fault with any group of conservative or reactionary Members of this House who join together to further legislation in which they are interested, nor do I find fault with such gentlemen working together in an effort to stop legislation of a progressive or liberal nature in which they have an interest and to which they are opposed. This is the prerogative of every Member of this House of Representatives.

I want to say to the distinguished gentleman from Arkansas that I do not believe that any of the gentlemen who attended that meeting can be intimidated by his speech, which might properly be construed as a threat to take patronage from them or to discriminate against them so far as patronage is concerned should they continue to advance liberal and progressive legislation. I want to say in passing—and it may be of interest to some of the Members of this House who have not been here longer than this one term—that some of us who are called "progressives" and who are now designated as being progressives have served here as Republicans during the Seventy-second, Seventy-third, and other Congresses. I myself had the honor of

serving in this House as a member of the Republican Party in the Seventy-second and Seventy-third Congresses. I wish to say to my Democratic friends, particularly those who attended our meeting on last Saturday, that during the Seventy-second Congress, when Mr. Hoover was President, I had no patronage; I was not given the opportunity of naming postmasters. During those entire 2 years I did not name or appoint a single man or woman to a single governmental position. As a matter of fact, I made no effort to be given consideration so far as patronage was concerned; I made no effort whatsoever. Patronage was not given to us; we were not considered to be regular enough; and I want to say to my Democratic friends that we did not feel that we were deprived of anything of real value to us.

After all, those of us who have more or less liberal tendencies should work for a merit system in government and should not be seeking the privilege of handing out political plums to people because of political advantages or political favor. It is really of no advantage to a Member of Congress to have the choice of saying which of four or five men shall be postmaster of Podunk. I do not think it helps any Member of Congress. I feel that the liberal Members, Democrat or Republican, agree with me when I say that as liberals and progressives, they will not be intimidated by the threat of having patronage taken from them.

The gentleman from Arkansas stated that our meeting was more or less of a joke. Possibly we will not be in a position to materially influence legislation in this Congress; but I want to call to the attention of the gentleman from Arkansas that a similar group was organized in the Seventy-second Congress, with the gentleman from New York, Mr. LaGuardia, who was then a Member of the House, the head of that liberal group in the House of Representatives.

There were only about 20 or 21 Members of the House affiliated with that group, but because of the fact that the Republican and Democratic Members of the House were so evenly divided, this small group was in many instances able to wield the balance of power. We cannot expect in this Congress, where there is such a large majority of Democratic Members, to be able to wield that balance of power.

Mr. SNELL. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. SNELL. Is it not a fact that when Mr. LaGuardia formed that group he had considerable encouragement from the Democratic side of the House?

Mr. BOILEAU. He had a good deal of support from that side of the House. There were several Members of the Democratic Party; more Republicans than Democrats, I hasten to add.

Mr. JOHNSON of Texas. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Texas.

Mr. JOHNSON of Texas. Is not the gentleman receiving considerable encouragement now from the Republican side of the House?

Mr. BOILEAU. There are many Republican Members who are willing to go along with us and may I say there are many Members who were not at that meeting last Saturday who during the past few months have been urging the creation or formation of this so-called "liberal group", who will go along with us, not with the intention of trying to run the Congress but for the purpose of uniting in our efforts to attempt to enact certain legislation.

Mr. KVALE. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Minnesota.

Mr. KVALE. May I ask the gentleman if any Member of this group is interested at all in partisan politics?

Mr. BOILEAU. No.

Mr. KVALE. And do they expect anything but criticism from conservative or reactionary members of any party in their efforts?

Mr. BOILEAU. Past experience justifies the assumption that nothing else should be expected.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Pennsylvania.

Mr. DUNN of Pennsylvania. In that meeting that was held, was there any mention of a third-party movement?

Mr. BOILEAU. No; there was not.

Mr. DUNN of Pennsylvania. Can the gentleman state what our policy or program will be?

Mr. BOILEAU. I want to state that the policy or program has not yet been definitely formulated or submitted to the group; so I do not feel justified in making a statement in reference to that matter. I do want to say, however, that before any policy is agreed upon it will be submitted to this entire group for their approval or rejection, and I may say further that there will not be an attempt on the part of anyone in that group to bind every Member of the group on every vote for everything that may be advocated or for any program that we may advocate.

Mr. MAY. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Kentucky.

Mr. MAY. If there should be a vital swing in the public sentiment within the next year, the gentleman and his followers might be in position to have something to say about legislation?

Mr. BOILEAU. The gentleman should not use the word "if", because the swing is definitely here.

Mr. MAY. Has the gentleman that thought in mind?

Mr. BOILEAU. No; not in the least. We as representatives of the people want to get together to discuss these matters without asking the permission of the leaders of any political party. We want to get together and submit a united front.

Mr. MAVERICK. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Texas.

Mr. MAVERICK. Does not the gentleman think it is a little bit stupid of certain Democrats to give the Progressive movement so much advertising?

Mr. BOILEAU. I think, perhaps, it is. Of course, we are very much pleased that they saw fit to give us that advertising.

Mr. HULL. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Wisconsin.

Mr. HULL. So far as our general program is concerned, they will probably find a considerable portion of it in both the Republican and Democratic platforms next year, just as they found a good part of the 1931 and 1932 programs in both of the party platforms last year.

Mr. BOILEAU. Yes.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. TARVER. Mr. Speaker, reserving the right to object, it has been the hope of Members from the South, who are interested in the possible amendment of the Bankhead cotton-control bill, that we might finish the pending appropriation bill today and have an opportunity to consider the amendatory features of the cotton-control bill tomorrow. I shall not object to the gentleman's request for an additional 5 minutes, but I will object to any further unanimous-consent requests to address the House, or to any further requests for extension of time.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HULL. May I be permitted to make another statement that might be of interest to every Member on the other side of the aisle. About 8 months ago the President of the United States visited Green Bay, Wis., and expressed his delight upon his association with real progressives and advised of the inspirations he got by coming out into a real progressive atmosphere.

Mr. BOILEAU. I thank the gentleman.

I wish to say to those members of the Democratic Party, who apparently object to this attempt on the part of certain Members of this House to get together in this so-called "liberal group", that we in Wisconsin, as Progressives, have supported the President on the floor of the House of Repre-

sentatives to a far greater extent than many of the members of the Democratic Party.

Mr. RANKIN. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Wisconsin [Mr. BOILEAU] keeps referring to the Democratic Party. May I say that I have heard the speech made on yesterday by the gentleman from Arkansas [Mr. FULLER] discussed by every Democrat I have come in contact with, and I know that what was said by him at that time does not represent the views of the Democrats now in the House of Representatives. [Applause.]

Mr. BOILEAU. I thank the gentleman for his observation.

I want to say that we in this group are vitally interested in the enactment of legislation for the assistance of agriculture. We feel that the agricultural program, especially with reference to the refinancing of farm-mortgage indebtedness, has been woefully inadequate. Perhaps the gentleman from Arkansas does not need any additional help down there in Arkansas for his farmers. I thought yesterday he was of the opinion that the people in Arkansas were getting along pretty well, and it came as a shock to me this morning when I heard the testimony of one gentleman before the Committee on Agriculture. This gentleman is one of the prominent farm leaders of this Nation who knows the conditions now existing among the farmers of the Nation.

He was speaking with reference to the Frazier-Lemke refinancing bill and this farm leader said, "Right down in Arkansas now we ought to have this bill operating." He pointed to Arkansas as the one State in the Union that is a shining example of the need of relief among the farming people. He pointed to that State as one of the States that need the enactment of the Frazier-Lemke refinancing bill, and then I asked him this question, "Is it the gentleman's opinion that the State of Arkansas is worse off than any other State of the Union so far as the farmers are concerned", and he answered that this is his understanding.

The gentleman from Arkansas perhaps is willing to support the Frazier-Lemke bill. We in this liberal group are asking for the enactment of this legislation, we are asking for other liberal legislation and we are asking for this in an effort to redeem our pledges made to the people during the last campaign. There are many more of you on the Democratic and Republican sides who should be willing to affiliate with us and support the program we have in mind, because many of you, while you were campaigning, expressed your approval of the legislation that we shall probably recommend to the House of Representatives.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield, gladly.

Mr. O'CONNOR. The gentleman was looking in my direction.

Mr. BOILEAU. I assure the gentleman I had no such intention. I have too high regard for the gentleman from New York to point to him in that way.

Mr. O'CONNOR. I can assure the gentleman that in the last Congress I voted for the Frazier-Lemke bill, as did many other Democrats.

Mr. BOILEAU. And I can assure the gentleman that I appreciate it, and I wish to say further that I have never had occasion to make any remarks with reference to the gentleman from New York, except those of a complimentary nature.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. TRUAX. I want to say to the gentleman that some of us have been quite active in the State of Ohio for the enactment of the Frazier-Lemke bill, and I would suggest that some of the progressives on that side join with the progressives on this side, and I would call the attention of the gentleman to the fact that in the Ohio Legislature the house passed a redistricting bill this week supported solidly by the Republicans, because they do not like the progressive Democrats back in Ohio.

Mr. BOILEAU. I wish to emphasize as strongly as I know how that I believe that the gentlemen who have served

with me during the short time I have served here will agree that, so far as I am concerned, I have not been influenced by party considerations in support of or opposition to any of these bills, and I think I can say for those who have affiliated themselves with our group that they are not motivated by any party considerations. We expect to support or oppose legislation entirely upon the merits of such legislation as we see them. It is true that we have a political philosophy which is, perhaps, more liberal than many of you can subscribe to, and we ask you to accord to us the right we readily accord to everyone to be guided by his own conscience, and we expect to go ahead and work for the legislation we favor regardless of what any man or any group of men may have to say and regardless of any threats that may be made as to the possible treatment that will be accorded to those of us who go along in this fight for economic justice.

The papers carried a statement the other day to the effect that the gentleman from Minnesota [Mr. KVALE] was going to call a meeting for tomorrow. I do not know whether a call has been sent out as yet or not, and I speak only for myself as these remarks are made, without any authority from any group, but I wish to say that if we do have a meeting, we will welcome all of you gentlemen who may have liberal views to join with us and go along with our program. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and forty Members present, not a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 28]

Allen	Ellenbogen	Johnson, W. Va.	Reilly
Andrew, Mass.	Englebright	Kahn	Richardson
Andrews, N. Y.	Evans	Kennedy, N. Y.	Romjue
Bacon	Farley	Kerr	Russell
Bankhead	Ferguson	Kleberg	Sadowski
Berlin	Fish	Knutson	Sanders, La.
Blinderup	Ford, Calif.	Kopplemann	Schneider
Brennan	Frey	Lamneck	Sears
Brooks	Fulmer	Lea, Calif.	Sisson
Brown, Mich.	Gambrill	Lemke	Smith, W. Va.
Bulwinkle	Gasque	Lewis, Md.	Snyder
Cannon, Wis.	Gifford	McKeough	Spence
Cartwright	Goldsborough	McLeod	Stack
Chapman	Granfield	McMillan	Starnes
Claiborne	Green	McReynolds	Sweeney
Clark, Idaho	Greenwood	Maloney	Taber
Clark, N. C.	Gregory	Meeks	Taylor, S. C.
Cole, N. Y.	Griswold	Millard	Terry
Cravens	Hancock, N. Y.	Monaghan	Tobey
Cross, Tex.	Hancock, N. C.	Montet	Treadway
Crowther	Harlan	Norton	Vinson, Ky.
Dear	Harter	Oliver	Wadsworth
DeRouen	Hess	O'Malley	Wigglesworth
Dingell	Higgins, Mass.	Palmisano	Williams
Dockweiler	Hill, Ala.	Parks	Wolcott
Doutrich	Hill, Samuel B.	Pettengill	Wolfenden
Duffey, Ohio	Hollister	Peyser	Woodruff
Eaton	Jacobsen	Reece	
Ekwall	Johnson, Okla.	Reed, N. Y.	

The SPEAKER. Three hundred and seventeen Members have answered to their names. A quorum is present.

Mr. TAYLOR of Colorado. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The motion was agreed to.

The doors were opened.

T. V. A. AND TAXATION

Mr. TURNER. Mr. Speaker, I hold in my hand two resolutions, no. 3 and no. 25, adopted by the General Assembly of the State of Tennessee. No. 3 refers to certain public works in the Tennessee Valley and its tributaries, and no. 25 refers to 2897, an act to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain interstate sales. I ask unanimous consent that these two resolutions be placed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. TURNER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolutions of the General Assembly of the State of Tennessee:

Senate Joint Resolution 3

Whereas the development of the natural resources of the Tennessee Valley by the construction of a series of dams in the Tennessee River and its tributaries is one of the most important measures advocated by President Franklin D. Roosevelt as part of his program of national recovery and permanent improvement of social and economic conditions in our Nation; and

Whereas the Tennessee Valley Authority, the agency by and through which this program is being carried out, has, according to statements given to the public press, included in its schedule or list of dams to be eventually constructed as part of such program a dam known as "Whites Creek Dam" in the Tennessee River near Rockwood, Tenn., a dam in the Tennessee River near Chattanooga known as the "Chickamauga Dam", and a dam on the Hiwassee River near Charleston, Tenn., known as the "Hiwassee Dam"; and

Whereas the President of the United States in a recent message to Congress has declared it to be the policy of the Federal Government to abandon the so-called "direct relief or unemployment dole" and in lieu thereof to give the unemployed of the Nation work relief or jobs on constructive Public Works projects of permanent usefulness and value; and

Whereas in the three counties nearest to the Whites Creek Dam site there is the most wide-spread and acute unemployment and distress of any like area in the State of Tennessee, about 50 percent of the 50,000 population of that area being dependent upon public charity on account of the suspension of mining and manufacturing enterprises; and there being a great deal of distress and a large number of unemployed in the counties adjacent to the Chickamauga and Hiwassee Dam sites; and

Whereas the said dams would serve the fourfold purpose of navigation, flood control, hydroelectric power, and unemployment-relief projects, and their immediate construction would operate to carry into effect the announced policy of President Roosevelt regarding the substitution of work relief for direct relief in a section of the State where ordinary work-relief projects cannot adequately absorb the existing unemployment; and

Whereas the building of said three dams would open the Tennessee River to navigation from the junction of the Clinch and Tennessee Rivers to the Ohio River and as a result would make possible the resumption of the iron and coal industries in the Rockwood area and elsewhere in the east Tennessee Valley and bring about permanent reemployment of thousands of men in private industry who are now dependent on Government relief: Therefore be it

Resolved by the Senate of the State of Tennessee (the house of representatives concurring), That we respectfully urge and petition the President of the United States and the Directors of the Tennessee Valley Authority to give early and favorable consideration to plans for commencing actual construction work on the Whites Creek, Chickamauga, and Hiwassee Dams during the year 1935, rather than leaving said dams to some unascertained future date, and that we further respectfully urge and petition all Members of the Tennessee delegation to Congress to work and vote for the enactment of any and all legislation and the passage of all appropriations necessary to insure the starting of work on said dams during the current calendar year: And be it further

Resolved, That copies of these resolutions be forwarded to the President of the United States, to the Chairman of the Tennessee Valley Authority, and to all Members of the Tennessee delegation in Congress.

Adopted January 11, 1935.

W. P. MOSS,
Speaker of the Senate.
WALTER M. HAYNES,
Speaker of the House of Representatives.

Approved January 11, 1935.

HILL McALISTER, Governor.

Senate Joint Resolution 25

Whereas necessity for property tax relief is imperative in Tennessee as well as in other States throughout the Union; and

Whereas 26 States, in an effort to afford property-tax relief and to provide revenue for essential functions of government, have enacted laws imposing taxes based upon or measured by sales of tangible personal property purchased and delivered in such State; and

Whereas no less than 65 percent of the population of the United States now resides in States with such laws; and

Whereas by virtue of judicial interpretation of the Federal Constitution, the States may not levy without the consent of Congress, taxes based upon or measured by sales moving in interstate commerce; and

Whereas as a result of such an interpretation there is a discrimination in favor of interstate sales as against intrastate sales; and

Whereas such discrimination, if permitted to continue, will tend to divert business from normal channels in Tennessee and elsewhere throughout the Union, thus subjecting local merchants to unfair competition; and

Whereas it is of vital importance to the welfare of the people of the United States that all things be done to promote the stability of local business in order that the financial structure of Tennessee and other States throughout the Union may be preserved; and

Whereas it rests within the power of Congress to permit the States to levy nondiscriminatory taxes upon sales in interstate commerce; and

Whereas the Honorable PAT HARRISON, Senator from Mississippi, introduced a measure at the second session of the Seventy-third Congress designed to afford the States relief in this matter, and reading as follows:

"S. 2897

"An act to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain interstate sales

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all taxes or excises levied by any State upon sales of tangible personal property, or measured by sales of tangible personal property, may be levied upon or measured by sales of like property in interstate commerce by the State into which the property is moved for use or consumption therein in the same manner and to the same extent that said taxes or excises are levied upon or measured by sales of like property not in interstate commerce, and no such property shall be exempt from such taxation by reason of being introduced into any State or Territory in original packages or containers, or otherwise: *Provided*, That no State shall discriminate against sales of tangible personal property in interstate commerce, nor shall any State discriminate against the sale of products of any other State: *Provided further*, That no State shall levy any tax or excise upon or measured by the sales in interstate commerce of tangible personal property transported for the purpose of resale by the consignee: *Provided further*, That no political subdivision of any State shall levy a tax or excise upon or measured by sales of tangible personal property in interstate commerce. For the purposes of this act a sale of tangible personal property transported or to be transported in interstate commerce shall be considered as made within the State into which such property is to be transported for use or consumption therein whenever such sale is made, solicited, or negotiated in whole or in part within that State.

"Sec. 2. Receivers, liquidators, referees, and other officers of any court of the United States are required to pay all taxes and licenses levied by any State or subdivision thereof the same as corporations, partnerships, concerns, persons, or association of persons are required to pay the same"; and

Whereas said measure was passed by the Senate on March 15, 1934, but was not voted upon by the House of Representatives and hence did not become law; and

Whereas need for such legislation is imperative in order to correct grave injustice in Tennessee and in all other States throughout the Union where taxes are based upon or measured by sales of tangible personal property: Now, therefore, be it

Resolved by the Senate of the State of Tennessee (the house of representatives concurring), That the Congress of the United States be, and it is hereby memorialized, to give relief to the State of Tennessee and all other States imposing taxes based upon or measured by sales of tangible personal property by immediately providing for the regulation of interstate commerce through granting consent to taxation by the several States of certain interstate sales as provided by the measure (S. 2897) introduced by Senator HARRISON during the second session of the Seventy-third Congress; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to each of the Members from Tennessee of the Senate and the House of Representatives of the United States, and to the Honorable PAT HARRISON, United States Senator from Mississippi, author of the measure which would afford the States relief in this important matter.

Adopted February 20, 1935.

W. P. MOSS,
Speaker of the Senate.

WALTER M. HAYNES,
Speaker of the House of Representatives.

Approved February 21, 1935.

HILL MCALISTER, Governor.

BACK TO THE CONSTITUTION

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article written by me.

The SPEAKER. Is there objection?

There was no objection.

Mr. TRUAX. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

In asking Congress for immediate passage of the \$4,800,000,000 relief bill, Emergency Relief Administrator Hopkins stated that there are 20,000,000 persons now on the Federal relief rolls.

This is about twice as many as there were 2 years ago and emphasizes the need for immediate and drastic action by Congress to take some practical steps to cure the depression, which started in October 1929 and has been getting steadily worse ever since.

Briefly, Congress should at once enact the following legislation:

(1) Pass the Patman adjusted-compensation bill for veterans of the World War.

(2) Enact the Truax moratorium bill.

(3) Authorize the Home Owners' Loan Corporation to issue an additional \$1,250,000,000 of bonds to grant additional relief to distressed home owners, in which distress shall be the sole basis for granting of a loan.

(4) Pass the Frazier-Lemke farm-mortgage-relief bill.

(5) Enact an immediate program of controlled currency expansion.

(6) Redistribute wealth by a capital levy on all individual holdings over \$1,000,000 and limit incomes to \$50,000 a year.

(7) Repeal the National Bank Act of 1864 and extend Government control and operation to the banking business.

Such a program cannot help but relieve from one-half to three-quarters of our unemployment and will not add to the tax burden and bond-issue menace of the United States, which during the past 2 years has only benefited the big bankers of Wall Street and other large financial centers.

The Patman "bonus" measure should be immediately passed because that can do the greatest amount of good in the shortest space of time. The passage of the Bacharach bill in 1931, permitting World War veterans to "borrow" half the money which has been due them since 1918, brought the only appreciable upturn in business we have had since 1929. (See February 1932 Plain Talk for details.)

The Patman measure, rather than the American Legion measure, should be passed because the former will benefit the country immensely by the immediate placing of \$2,000,000,000 into circulation by the war veterans (who really put what they have into circulation).

The "bankers' delight" measure, as embodied in the Vinson bill, will, while benefiting the veterans, bring additional benefits to the coupon-clipping bankers and multimillionaires instead of to the people as a whole, as will the Patman bill.

The second item in this agenda is my moratorium bill (H. R. 3650). This bill will establish a uniform system of bankruptcy throughout the United States and will make a farmer or home owner who has to default on his mortgage or taxes a bankrupt instead of permitting his creditors to sell the property over his head and throw him out into the street and into the bread lines.

This is very necessary emergency legislation to shorten the relief rolls while Congress has time to do something about the depression.

The third item is also embodied in a bill introduced by me, H. R. 4138. Under it severe penalties will accrue to those dishonest and incompetent officials of the Home Owners' Loan Corporation who make loans for personal or political reasons. Only the distress of a home owner or mortgagee can be the basis for a loan, and the Corporation is given an extra billion and a quarter to further relieve distress of American home owners with.

The Frazier-Lemke farm-relief and mortgage bill should be passed without any more delay and shameless political shilly-shallying which marked its fate in the House last year. It will, if and when enacted, refinance loans on farms at 1½-percent interest.

Even if we pass the Frazier-Lemke bill today we would merely give most farmers an opportunity to repurchase their farms and pay for them the second time at the low interest rate. But the best feature of this bill from the standpoint of all of the American people is that it means a direct expansion of the currency.

Immediate expansion of the currency is necessary. All economists and even the thick-headed professors of the "brain trust" admit that most of our economic troubles is caused by what they call a "money famine."

How, then, can this money famine be dissolved except by the Government issuing more currency or the bankers issuing more currency? If we should give the national bankers the special privilege of issuing five billions in new currency, instead of permitting Congress to go back to the Constitution and issue it in the name of the Federal Government, we would have no hue and cry against currency expansion.

We have to expand the currency. We must call in some of those tax-exempt bonds and pay them off before they are repudiated. Instead of financing relief work with bond issues, which only relieves the bankers in the long run, we must do that with non-interest-bearing Treasury certificates.

With the supply of gold and silver bullion now in the vaults of the Treasury Department we could justify an additional issue of \$20,000,000,000 in currency and put it in circulation.

Let us judge the merits of inflation by the process of elimination. Whom will it hurt? Will it hurt the farmer, who is down and out and has lost nearly \$40,000,000,000 in the diminished value of his properties?

Will new currency hurt the soldier, who now, in most cases, is without property, without income, and without a job?

It cannot hurt him, but, on the other hand, if we pass the Patman adjusted-compensation measure, its benefits will be observed not only in the ex-soldiers' own homes but in every avenue of trade and in every line of commerce that comes in contact with the World War veteran—the butcher, the baker, the candlestick maker.

The third distressed class is the wage earners who are receiving barely enough to eke out existences. Inflation cannot hurt them. They have everything to gain and nothing to lose by it.

The small business man and the independent producer constitute the fourth class of people who are in distress. Will inflation hurt them? No. On the other hand, it will assist them in every way possible.

It will mean that the independent factories which are now "flat on their backs" because of the lack of financing can open up once more and put millions of our idle to work. These industries cannot now borrow money from the bankers. They cannot borrow money from the Government agencies, as was so amply demonstrated when we reauthorized the Reconstruction Finance Corporation to continue in existence.

The R. F. C. reported that it had allotted something like \$36,000,000 in loans to industry, when, as a matter of fact, they actually only loaned about \$6,000,000, and they won't do much better in the future.

In the Corporation's report, recently submitted to Congress, it showed that a net profit of a little better than \$65,000,000 had been made by this Federal agency on a capitalization of \$500,000,000. In addition to that, they have to their credit more than \$5,000,000 of accrued dividends on stocks and bonds of banks and trust companies.

That is a total net profit of 16 percent on their capitalization of \$500,000,000. That should be a lesson to every citizen of the United States as to the absolute need for national control of the banks of this country. Let the Government issue the money instead of letting the banks do it.

Senator Huey Long, of Louisiana, has given the country the best picture of how redistribution of wealth can solve many of our economic problems. I feel that Huey is too liberal with the non-producing multimillionaire class.

Whereas the all-American Kingfish would limit incomes to \$1,000,000 a year, inheritances to \$5,000,000 per individual, and property and cash accumulation to \$50,000,000, I believe the time has come when a greater reduction in these swollen, excessive, depression-breeding private fortunes must be made.

Hence, Congress could well enact a capital-levy tax, making all fortunes over \$1,000,000 accrue to the Federal Government and the several States and limiting incomes of individuals to \$50,000 a year. This would automatically take care of inheritance.

Probably \$20,000,000,000 would immediately accrue to the Government, as the Treasury Department has estimated that fifteen billion would accrue under the Huey Long figures. This would retire a lot of our bond issues, reduce our interest bill to the big bankers each year considerably, and enable the Government and States to put millions to work on useful public-works projects without endangering the public credit or injuring anyone in the least.

The recent change of expensive art works from the House of Morgan to the House of Ford for \$1,500,000 is a splendid object lesson for our Ways and Means Committee to work on in considering taxation. This amount would buy 6,000,000 meals for hungry Americans. The lesson we learn from this is that we should have a very high tax on art works valued at over \$5,000 per unit—the rate at least 100 percent.

One of the greatest rackets in the country today is the unconstitutional National Bank Act, passed during the Civil War over the resistance of President Lincoln. Lincoln's Secretary of the Treasury (Salmon P. Chase), who afterward became a member of the United States Supreme Court, showed extreme penitence for his part in jamming it through a docile and bewildered Congress when it was too late.

This Congress should repeal it. Better still, it should be challenged in the courts. I do not doubt that the Supreme Court would throw it out on stronger grounds than they threw out the section of the N. R. A. Act dealing with "hot oil" shipments, since it is patently more unconstitutional than the 1933 measure.

Under the National Bank Act, Congress abrogates its constitutional powers to coin money and regulate its value. The amazing thing about it is that our Supreme Court has just said Congress cannot check its constitutional rights to another branch of the Government.

How then could the principle of the Congress, giving its power to private bankers, be sustained? The answer is that it can't.

Under this special privilege, national bankers, by a process thoroughly explained in the July 1934 issue of Plain Talk, make a profit of from 9,583 to 13,333 percent on their money. This profit comes out of the pockets of the American taxpayers.

This racket makes the activities of the Capones and Dillingers, and even of the Daweses and Insulls and Mitchells, pale into insignificance.

Congress should go back to the Constitution. It should, in the words of Al Smith, throw out of the window all of the half-baked professorial gentry who are having a good time experimenting, not so much with government as with human misery.

While the professors are having a good time, and while the millionaires are getting richer and richer (see the last report of the Internal Revenue Bureau), millions more are added to the long lines of starving American citizens.

"Back to the Constitution" is a good slogan for Congress to adopt if it really intends to put its words into action and break the back of the ever-increasing depression.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a resolution adopted by the City Council of the City of Belle, Calif., with relation to the program of the President for public works.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The resolution is as follows:

MARCH 5, 1935.

HON. CHARLES KRAMER,

United States Representative, Washington, D. C.

DEAR SIR: The following is an excerpt from a minute resolution adopted by the City Council of the City of Bell, Calif., at its meeting held March 4, 1935, submitted to you for your consideration:

"Whereas in connection with President Roosevelt's proposal of providing funds to inaugurate a works program for the relief of the unemployed throughout the United States, and in view of the statements which have been made in the press that due to certain amendments to the proposal which have been made, there is a possibility of the works program being discarded and substituted by the direct dole; and

"Whereas it is the opinion of the City Council of the City of Bell that the program as proposed by the President is constructive and forward-looking and will result in vastly more benefit to the city of Bell, to those needing employment, and for the future upbuilding of national resources than to inaugurate a dole system: Now, therefore, be it

"Resolved, That the Bell City Council does hereby express its approval of the President's plan of relief by the construction of worth-while projects in order to provide employment to those needing it."

Respectfully submitted.

E. P. FOLSOM, City Clerk.
By MARY LEE KNOLES, Deputy.

AGRICULTURAL APPROPRIATION BILL

Mr. SANDLIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6718) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1936, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. COOPER of Tennessee in the chair.

The Clerk read the title of the bill.

The Clerk, proceeding with the reading of the bill, read to the bottom of page 4.

Mr. CANNON of Missouri. Mr. Chairman, this bill marks a significant milepost in the history of this Congress. We have now consumed about half the session. The most important part of the session is behind us. Any major legislation not now definitely under way has little likelihood of receiving serious consideration at this session of Congress.

When the House convened in January, one of the principal items on the legislative program was farm relief. It was generally recognized that national recovery was inseparably associated with farm recovery. The depression had its inception in discrimination against agriculture. The calamity started on the farm. When farm prices dropped so low that the farmer could no longer buy, industry could no longer sell. And when industry could no longer sell, the factories could no longer operate. And when the factories closed, labor could no longer find a job. We must start at the beginning. The first step on the road to recovery is to pay the farmer a price for his products which will enable him again to go into the market and buy what he needs.

THE FARMER'S INCOME

The extent to which the farm has been plundered in the last 15 years is indicated by the amazing reduction in its share of the national income. The national income for 1919 as reported by the Department of Agriculture was, in round numbers, approximately \$60,000,000,000. Of this \$60,000,000,000, the farmers of the Nation received seventeen billion, and labor and industry took forty-three billion. Today the national income is fifty-two billion, and agriculture receives only seven billion, while labor and industry take forty-five billion.

Strangely enough, as the farmer's income went down his costs of production went up. Labor and industry paid him less for the food they bought from him, and charged him more and more for everything they sold him.

PRICES RECEIVED AND PRICES PAID

The change in the prices industry paid the farmer for food and the prices industry charged him for manufactured goods

in 1914 and 1934 are reported at page 895 of the hearings on this bill, as follows:

Farm prices of specified farm products and prices paid by farmers for selected items of farm machinery, specified years

[Statistical and Historical Research; compiled from records of Division of Crop and Livestock Estimates]

Item	1914	1934
Hogs.....	\$7.57	\$4.25
Wagons.....	73.25	108.92
Sheep.....	4.79	2.96
Telephone, per month.....	1.00	2.50
Wheat.....	.87	.79
Binder.....	136.50	233.29
Corn.....	.72	.61
Cultivator.....	31.70	55.55
Milk.....	1.49	1.01
Fertilizer.....	17.50	23.60

Hogs, sheep, wheat, corn, milk, and other farm products went down, and wagons, telephone service, binders, cultivators, fertilizer, and other farm necessities went up.

WAGES RECEIVED AND WAGES PAID

Labor followed suit. The discrepancy in the trend of wages paid agriculture and labor during this period was brought out in the testimony of representatives from the Bureau of Agricultural Economics before the committee, as reported at page 886 of the hearings. According to statistics compiled by the Government, factory workers in 1934 were receiving 180 percent of the 1910-14 wage scale, while the farmers were receiving only 93 percent of the 1910-14 level. Industrial wages were 80 percent higher and farm wages were 7 percent lower.

It is particularly significant to note that wages for women are reported separately on the industrial pay rolls. When a woman works in the factory the family receive her wages in addition to her husband's wages; and the industrial family receive the wages of sons and daughters living in the home in addition to the wages of the mother and father. But the women and children working on the farm receive nothing. The pay of the head of the farm family is the total family income. So the discrepancy between industrial wages and farm wages is even more pronounced than is indicated by the factory increase of 80 percent and the farm loss of 7 percent.

The extent of this discrepancy is further indicated by the following tabulation at page 896 of the hearings:

Index numbers of union wage rates and hours of labor in the United States as of May each year—1914, 1919, 1926, 1932, and 1933

[Division of Statistical and Historical Research; compiled from Bureau of Labor Statistics, Bulletin 515, and November Monthly Labor Review]

Year	Rate of wages per hour	Hours per full-time week	Rate of wages per full-time week
	1913=100		
1914.....	101.9	99.6	101.6
1919.....	154.5	94.7	147.8
1926.....	250.3	92.8	233.4
1932.....	241.8	87.7	212.2
1933.....	231.2	88.0	203.0
	1914=100		
1914.....	100.0	100.0	100.0
1919.....	151.6	95.1	145.5
1926.....	245.6	93.2	229.7
1932.....	237.3	88.1	208.9
1933.....	226.9	88.4	199.8

While the wheat which labor ate was falling from 87 cents in 1914 to 38 cents in 1932, the wages of labor were rising from the index number of 100 in 1914 to 237 in 1932.

And while the farmer was working as long hours in 1932 to make his 38 cents as he had worked in 1914 to make 87 cents, labor was working only 88 percent to make 237. The farmer got less than half for the same work and labor got almost two and a half times as much for less work.

Summarizing the latest statistics available, the comparative annual compensations paid the farm family and other classes of labor in 1920 and 1934 were as follows:

Comparative salaries per annum

	1920	1934
All railway engineers ¹	\$2,810	\$2,818
Freight engineers ¹	2,653	2,758
Federal employees in the District of Columbia ²	1,321	2,140
Wall Street executive ³	75,000	150,000
Farm family, 5 persons ⁴	1,020	485

¹ Interstate Commerce Commission.

² U. S. Department of Labor, Bureau of Labor Economics.

³ The Budget, 1933.

⁴ Federal Trade Commission, 1933.

⁵ Department of Agriculture, Bureau of Agricultural Economics.

Carrying the comparison into the day-labor class, the change in rates of pay per day were as follows:

Union wage scales per 8-hour day

	1920	1933	1934
Carpenters, general ¹	\$5.36	\$8.80	\$10.00
Painters, general ¹	5.20	9.92	10.00
Plumbers and gas fitters ¹	5.76	10.40	11.50
Electricians, inside wiremen ¹	5.52	10.56	12.00
Bricklayers, building ¹	6.24	11.44	12.00
Farmers, field hands ²	2.84	.75	.98

¹ U. S. Department of Labor, Bureau of Labor Economics.

² With board.

³ Department of Agriculture, Bureau of Agricultural Economics.

FARM PRICES DOWN AND FREIGHT RATES UP

Both labor and industry have taken advantage of the farmer for the last decade. The railroad tariffs reflecting the increases of both are typical. The less the farmer received for his products the more the railroads charged him for transporting them. They charged him more for hauling his wheat when he was selling it at a loss than when he was getting war-time prices. For example, at page 895 of the hearings on this bill we find:

Freight rate on a carload of wheat from Larimore, N. Dak., to Minneapolis

[Division of Statistical and Historical Research; compiled from records of the Interstate Commerce Commission, based on a loading of 43 tons per car, which is approximately the average in this region]

Year	Rate per 100 pounds	Freight per car
	Cents	Dollars
1913.....	12	103.20
1919.....	15	129.00
Present.....	17.5	142.50

The railroads charged him 15 cents freight when he was getting \$2.15 a bushel, and charged him 17½ cents when he was getting 38 cents a bushel. The less the farmer got for his crop the more the railroad demanded for hauling it.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for 15 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, when wheat was \$2.15 fertilizer was \$20 a ton, a binder was around \$200; the union-labor wage scale was at 151 and freight rates were 15 cents. When wheat dropped to 38 cents fertilizer went up to \$23 a ton, a binder sold for \$225, the union wage scale skyrocketed to 237, freight rates jumped to 17½ cents, and other costs of production advanced in proportion. I ask you what industry could survive under such circum-

stances. Is it any wonder that millions of farmers lost their homes and half the rural banks crashed. The appalling feature of the situation was that labor and industry apparently viewed the wreckage that covered the rural districts with little concern. They continued to take his food at less than it cost him to produce it. They fatuously supposed he would continue to pay the exorbitant prices they charged him for their services and their wares indefinitely. It was only when his reserves were finally exhausted and his buying power faded and their warehouses were filled with goods for which there were no buyers that they suddenly awoke to the realization that in destroying the farmer they had destroyed themselves.

They must now understand that it is a common problem. The general encouragement of accelerated production during the war, the imposition of restrictions against the importation of foreign labor and the products of foreign industry without corresponding embargoes against foreign competition with the American farm, the refusal to grant legislative control of production and disposition of surplus products incorporated in the McNary-Haugen bills and similar farm measures, the drastic deflation of agriculture through Federal Reserve agencies, and especially the dependence of labor and industry on agriculture for their primary market, make the farm question a national question and a national obligation. This obligation is being met by the Agricultural Adjustment Administration as adequately as the present law permits. But agriculture is still far below the economic plane of labor and industry.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. MAY. Does the gentleman know what amount of this disparity, if any, is due to the operation of the codes of competition and the drastic reductions under the regulations of the Farm Administration?

A. A. A. LAGS BEHIND N. R. A.

Mr. CANNON of Missouri. The codes were planned as an important link in the recovery program. Properly administered, the N. R. A. was expected to do for labor and industry what the A. A. A. is doing for agriculture. But the same selfish interests which deflated farm prices and brought on the depression, working through the codes to establish monopolies and take advantage of smaller competitors, have nullified many advantages of the recovery program.

Smaller factories in my State have had to close or reduce operations to such an extent that factory unemployment has increased instead of diminished, and the price of factory-made goods has increased so much more rapidly under the codes than the price of farm products as to practically discount the slow and inadequate increase the A. A. A. has brought about in the farm income.

Either in conception or administration, or in both, the N. R. A. has greatly retarded the recovery program. The A. A. A. has not kept pace with it.

NEWSPAPER ACCOUNTS OF FARM PROSPERITY MISLEADING

As a matter of fact, entirely too much emphasis has been laid on the slight increase in farm prices. It is true prices are higher in 1935 than they were in 1932. But they are far behind the prices of 1919, when the farmer was paying less for machinery, fertilizer, and other farm necessities than he is paying today. Here are the prices for the 3 years, supplied during the hearings by the Bureau of Agricultural Economics:

Comparative farm prices in 1919, 1932, and 1935

[Division of Statistical and Historical Research; compiled from reports of the Division of Crop and Livestock Estimates]

Item	1919	1932	1935
Hogs.....	\$16.23	\$3.47	\$8.75
Sheep.....	9.87	2.39	8.50
Wheat.....	2.15	.38	.92
Corn.....	1.56	.28	.84
Eggs.....	.45	.08	.20

Departmental bulletins and newspaper articles have heralded the increase of 1935 farm prices over those of 1932 until the consuming public are beginning to believe the farm question has been solved and the farmer is prosperous again. Much has been said of the increase of the farmers' share of the national income from five billion in 1932 to seven billion in 1934. But little has been said of the drop of the farm income from seventeen billion in 1919 to seven billion in 1934 while labor and industry were increasing from forty-three billion in 1919 to forty-five billion in 1934. Here are the figures the papers never print and the consumer never sees:

Farm share of national income

[Realized income from production of goods and services based on data of (1) National Bureau of Economic Research as published in America's Capacity to Consume, by Brookings Institute; (2) U. S. Department of Commerce; and (3) Bureau of Agricultural Economics, U. S. Department of Agriculture extension of data for 1929-34 made in Agricultural Adjustment Administration]

Year	National income	Farm income	Percent
1919.....	\$60,000,000,000	\$17,000,000,000	28.3
1920.....	66,000,000,000	14,000,000,000	21.0
1925.....	73,000,000,000	12,000,000,000	16.0
1929.....	80,000,000,000	12,000,000,000	15.0
1930.....	73,000,000,000	9,000,000,000	12.3
1931.....	61,000,000,000	7,000,000,000	11.4
1932.....	48,000,000,000	5,000,000,000	10.4
1933.....	46,000,000,000	6,000,000,000	13.0
1934.....	52,000,000,000	7,000,000,000	13.4

PLEDGES TO FARMERS NOT FULLY REDEEMED

The Agricultural Adjustment Administration has rendered invaluable service. It has brought wheat from 35 cents to \$1, corn from 15 cents to 99 cents, hogs from \$3.30 to \$10, and the price of other farm products up in proportion. But its work is only beginning. It has not yet achieved the objective set by President Roosevelt in his Topeka speech; it certainly has not yet redeemed the platform pledges of our party and all other political parties in the last election; and it will not have redeemed them until it has brought the price of a bushel of wheat up to parity with the price of a binder and the price of all farm commodities up to parity with the necessities the farmer must buy in producing those commodities. In 1919 you could buy a binder with less than 100 bushels of wheat. Today, even with the increase made by the A. A. A., it takes around 250 bushels of wheat to buy a binder. Why should not the price of work on the farm increase as fast as the price of work in the factory? When binders go up wheat should go up. And when wheat comes down binders should come down. There is no other just rule in either law or economics. Agriculture is entitled to as much consideration under our form of government as industry and labor. This Congress is pledged to secure and insure that consideration.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to Governor CHRISTIANSON of Minnesota.

A. A. A. RAISED FARM PRICES

Mr. CHRISTIANSON. Does the gentleman not give the drought some credit for the increase in the prices of agricultural products?

Mr. CANNON of Missouri. Mr. Chairman, I am certain the gentleman will agree with me that the price of corn advanced long before there was any intimation that a drought was coming. President Roosevelt issued his order to lend 45 cents on corn, and the price of corn jumped from 15 cents a bushel to 45 cents a bushel before anybody ever dreamed there was a drought in prospect.

Mr. TRUAX. And is it not true that the drought had nothing to do with the elevation of the price of wheat?

Mr. CANNON of Missouri. Nothing whatever, because it came subsequent to the rise in the price of wheat. At the time the price of wheat went up there was ample moisture and the wheat was harvested and sold and the farmer had the money in his pocket before there was any indication of dry weather. It was the Agricultural Adjustment Act which

started the advance in the price of every farm product, and it is still operating although the drought is long since past.

Mr. CHRISTIANSON. Then the gentleman believes that the law of supply and demand has also been repealed during this administration?

Mr. CANNON of Missouri. On the contrary, the A. A. A. operates through the law of supply and demand. It has reduced acreage, and in reducing acreage has reduced the supply; and under the law of supply and demand a reduced supply increases the price.

That is exactly the method and function of the A. A. A. It invokes the law of supply and demand. It has reduced the supply of pigs, and the spectacular increase in the price of hogs in the last few months is due directly and solely to the fact that the supply has been curtailed. Of course, the drought could not affect the number of pigs farrowed. The policies of the A. A. A. did affect production, and thereby pushed the price of hogs from \$3.30 to more than \$9 per hundred.

Mr. CHRISTIANSON. But the gentleman will agree, I believe, that the drought has reduced production considerably more than the acreage-allotment contracts?

Mr. CANNON of Missouri. Oh, of course, the drought supplemented the A. A. A. program. The Lord helps those who help themselves. [Laughter.] But the fact remains that it was the reduction in the number of hogs through the operation of the hog-corn contracts that raised the price of pork on the farm. A drought does not necessarily reduce the number of litters farrowed. An allotment contract does. But for the allotment contracts the price of hogs today would still be \$3.30 or less.

INDUSTRY SET THE EXAMPLE FOR PRODUCTION CONTROL

It is amusing to see the industrialists shedding crocodile tears over the demise of "little pigs" when they have, themselves, been practicing production control for years. Testimony reported at page 893 of the hearings shows that industry reduced its output 80 percent, while agriculture reduced its production 6 percent. Whenever industry is willing to take off the brakes and produce 100 percent of their 1929 output, the farmer will be perfectly willing to open up and produce 100 percent of the 1929 agricultural output. Let them take the 80-percent beam out of their own eye before they attempt to remove the 6-percent mote from the farmer's eye.

Mr. CHRISTIANSON. Does the gentleman recognize that we are importing a million bushels of corn every week at the present time?

CROP CONTROL GIVES FARMER BENEFIT OF TARIFF

Mr. CANNON of Missouri. Certainly. We are importing a small amount of corn, but we are getting the full benefit of the tariff on our own corn for the first time since the tariff was levied. It is a sign of prosperity when the price of corn is high enough to bring in foreign corn over the tariff wall instead of being too cheap to pay importers to ship it in from the outside. Of course, if we are going to continue a tariff on industrial commodities high enough to keep the products of foreign labor out of the United States, we ought to have an agricultural tariff high enough to keep the products of foreign farmers out of competition with our American farmers. But it takes the A. A. A. to make the tariff effective. The tariff on corn was never effective under Mr. Hoover. Corn sold for 10 cents a bushel when the tariff was 25 cents a bushel. Without the A. A. A. corn would still be too low for importers to pay the tariff and bring it in. The A. A. A. gives the farmer the benefit of the tariff for the first time. Heretofore the farmer has paid the tariff on all he bought but has never had it on what he sold.

Mr. TRUAX. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. TRUAX. Is it not true that even though we import a million bushels of corn per week, we would still be importing less than 1 percent of our corn crop, and is it not also true that the corn that is shipped into this country is of the hard, flint variety that cannot be used to feed livestock but must be ground and processed into other commodities?

Mr. CANNON of Missouri. It is not only less than 1 percent; it is less than one-half of 1 percent and, as the gentleman says, it was brought out in the hearings that this corn is of such a nature that it cannot be fed to livestock without grinding. But the very fact that the tariff on corn is low enough to admit it automatically fixes the domestic price at the figure at which foreign corn can be imported and if the high industrial tariffs which have destroyed the foreign market for our products are to be maintained we should increase our farm tariffs to a figure which will protect the American farmer from competition with the peon labor of Argentina and Mexico as effectively as factory labor is now protected against competition with the pauper labor of Europe and Japan.

Mr. WEARIN. Will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. WEARIN. With reference to the importation of corn, we would be compelled to import corn regardless of the A. A. A., in view of the fact that we have lost a great portion of our production due to the drought conditions?

Mr. CANNON of Missouri. No. With Secretary Wallace's ever normal grainery we can so adjust production under the A. A. A. as to provide ample corn to supply all domestic needs at all seasons and in all emergencies.

Mr. RYAN. Will the gentleman yield?

Mr. CANNON of Missouri. Certainly.

DECREASED ACREAGE BRINGS INCREASED INCOME

Mr. RYAN. Is it not a fact that despite the fact that production was decreased on account of the drought there has been a substantial increase in total farm income, regardless of the fact that production has fallen off?

Mr. CANNON of Missouri. Yes. That point cannot be emphasized too strongly. Crop control means income control. It insures an honest wage for an honest day's work on the farm. It insures a decent standard of living for the American family.

I am particularly glad to have the gentleman raise that question, because we frequently hear some middleman asking what is the advantage of increasing the price of the farmer's products if you do not permit him to raise anything to sell. That question is the cheapest species of propaganda. It does not require much arithmetic to show the difference in the profits on 9 acres of wheat under the A. A. A. at \$1 a bushel and 10 acres of wheat under Hoover at 35 cents a bushel. Or the difference in the returns on 9 hogs at \$9 a hundred under the new deal and 10 hogs at \$3.39 under the old deal.

BUSINESS MEN PROSPER WHEN FARMER PROSPERS

And, of course, it is unnecessary to point out that every merchant and professional man will do many times the business with customers who are raising 9 hogs at \$9 than he would do with the same customers when they are raising 10 hogs at \$3.30. If the cities want more business, let them support the A. A. A. It insures farm buying power to absorb the product of the American factory and employment for American labor at a living wage in the city as well as in the country.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend from Pennsylvania.

LABOR AND INDUSTRY SUPPORT FARM LEGISLATION

Mr. DUNN of Pennsylvania. I take it for granted that the farmer is in a deplorable state. What can we city Representatives do to help you poor farmers?

Mr. CANNON of Missouri. That is the proper spirit. If we could have had such cooperation as that from the city between 1920 and 1932 we would have here in America today the richest people and the greatest prosperity the world has ever seen. The city and the country are interdependent. They must rise together or fall together. Lincoln said you could not have a nation half slave and half free. It is just as true that you cannot have a nation half boom and half busted. You cannot have a prosperous city and a destitute country any more than you can have a prosperous country and a destitute city. If the gentleman will support legislation which, like the Agricultural Adjustment Act, will give

the farmer the benefit of the tariff the city has been enjoying so long at the farmer's expense, he will benefit not only the farmer but the entire Nation.

Mr. CHRISTIANSON. Did I understand the gentleman to say that the drought has not affected the corn crop at all?

Mr. CANNON of Missouri. Oh, no. The drought, of course, supplemented the crop-control program. But that came long after the efficacy of the control program has been demonstrated. Without the crop-control program corn would still have been selling at 15 cents a bushel when the drought struck. There was still ample moisture at the time the price of corn jumped from 15 cents a bushel to 45 cents overnight and continued to advance. The crop-control plan carried to its ultimate objective would not only maintain a fair price for corn in ordinary years but would provide all corn required for domestic consumption in drought years as well.

THE EVER-NORMAL GRANARY PROVIDES AGAINST DROUGHTS

Mr. CHRISTIANSON. Because the loan value had been established by the Government; but could that price have been maintained? Would not the Government have sustained a loss on its corn loans if the drought had not come in and raised the price of corn by bringing into operation the law of supply and demand?

Mr. CANNON of Missouri. Certainly not. The drought could not affect the number of pigs farrowed, but we are still maintaining the price of hogs.

Mr. MOTT. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. MOTT. If it was the purpose to increase the price by reducing the supply, what is the reason for the Presidential proclamation issued last fall permitting the import of hay and straw from Canada, duty free?

Mr. CANNON of Missouri. That was due entirely to the drought and in no respect to the crop-control system. And drought and the fact that the crop-control plan had not been in operation long enough to permit the development of the ever-normal granary which would have provided hay, straw, and other essential commodities for such emergencies.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

MIDDLEMEN OPPOSE PRODUCTION CONTROL

Mr. GRAY of Pennsylvania. In the district which I represent in Pennsylvania the farmers seem to be unanimously in opposition to the A. A. A. I cannot understand the situation. The gentleman is pointing to the benefits which have come to the farmers from the A. A. A. There are a large number of farmers in my district, and they are against crop reduction by ukase or by any method. They are in opposition to the A. A. A.

Mr. CANNON of Missouri. I am inclined to believe that if the gentleman will investigate, he will find his local middlemen back of this purported opposition. A few middlemen who have been exploiting the farmer all these years are trying to hold on to their meal ticket by manufacturing propaganda. They do not reflect the opinion of the farmers who are informed. No sane farmer will object to a measure which will double the price of his hogs, triple the price of his wheat, quadruple the price of his eggs, and quintuple the price of his corn.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

TARIFF INEFFECTIVE WITHOUT PRODUCTION CONTROL

Mr. ENGEL. On pages 3504 and 3505 of the CONGRESSIONAL RECORD appears an article from the Des Moines (Iowa) Register, inserted in the RECORD by Senator DICKINSON. The first paragraph reads as follows:

BALTIMORE, Md.—Capt. E. R. Howe, of London, immensely pleased by the roar of cranes unloading Argentine corn from the hold of his stream-lined freighter *Argow*, into coal cars on the Baltimore docks, concluded last week that it was Iowa's "own damn fault."

"Last year you were burning it, and this year you are buying it," he observed. "Why, they are all laughing at you in Buenos Aires."

Does the gentleman agree with that statement?

Mr. CANNON of Missouri. The very faint roar the article refers to is music in the ears of every Iowa farmer who sealed his corn at 45 cents. For the first time since the tariff was imposed, corn is high enough to pay Argentina to ship it to the United States. The Iowa farmer who sealed his corn at 45 cents is now able to sell it at 99 cents a bushel. If Mr. Hoover were still President it would still be 15 cents a bushel and the farmer could not even borrow the 45 cents.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the A. A. A. has been effective beyond expectations. But its work has just begun. It is a step in the right direction but we have not yet gone far enough. We are not yet reaping its full benefits. It is true that wheat has gone to \$1, but it must go to \$1.50 before we are getting the relative price we received before the war. Hogs have gone to \$10 when they should have gone to \$15 or \$18 in order to give agriculture its fair share of the national income, and in order to keep pace with the increase which industry has made in the prices it charges the farmer for the necessities with which it supplies him.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

INCREASING FARM BUYING POWER RELIEVES UNEMPLOYMENT

Mr. HOFFMAN. If you push the price to the height you still think necessary to compensate the farmer, would you not have to appropriate more money to take care of those people who are starving because they cannot pay present food prices? Does that have anything to do with it?

Mr. CANNON of Missouri. If you give the farmer a price that will compensate him for his labor and investment, it will be unnecessary to appropriate for these men because they will have a job and will be sustaining and self-respecting instead of dependent on charity.

Mr. HOFFMAN. Does the gentleman mean the farmer will put them to work?

Mr. CANNON of Missouri. The farmer will put them to work, and keep them at work, just as he did before the war. He will go into the markets and start buying and the factories will open and every man will have the same opportunity for employment he had in 1914. The truth is there is no other way to open the factories and permanently put men to work.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my colleague, the gentleman from Missouri.

Mr. COCHRAN. For the benefit of the newer Members of the House, Mr. Chairman, I may say that not only are we listening to one of our most distinguished Members, a man who has served here for years, but we are listening to a man who is a farmer himself and who has been a farmer for years. He is a man who knows what he is talking about; and we all will do well to follow his suggestions. [Applause.]

Mr. CANNON of Missouri. And in listening to Mr. COCHRAN, you are listening to a man who represents one of the great industrial cities of the Nation, but who knows as much about the farmer's problems and who has cooperated as effectively in solving them as any Member of the American Congress. [Applause.]

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. Certainly.

FARM PRICES SHOULD HAVE LED INDUSTRIAL PRICES

Mr. RICH. After listening to the gentleman's statement I infer that the N. R. A. is trying to put the A. A. A. out of business.

Mr. CANNON of Missouri. There is no conflict in purpose between the two. They have the same object in view. But they were not synchronized. The N. R. A. was off to a flying

start. It moved too rapidly and went too far. The A. A. A. was left at the pole. They hitched the cart before the horse. The depression started on the farm, and recovery should have commenced there. The farmer should have had an opportunity to get back to parity.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. RABAUT. I would like to make this suggestion to the gentleman: That he refuse to yield further and let us hear his speech. [Applause.]

RECOVERY PROGRAM MUST BE COMPLETED

Mr. CANNON of Missouri. I thank the gentleman. In the few minutes I have left, Mr. Chairman, let me say that while we have made great progress, we are still far from redeeming our pledges made in the last Presidential campaign. It is true we have added \$2,000,000,000 to the farm income, but we should have added \$5,000,000,000 or \$6,000,000,000 to reach even the ratio of 1919; and the discouraging feature of the situation is that apparently there is no disposition to go further.

The Bureau of Agricultural Economics last week announced officially through Mr. Bean, its leading economist, that they expect no further increase in farm prices. As a matter of fact, we are told officially by the Department of Agriculture that from this time on the variation in farm prices will be down instead of up.

The Secretary of Agriculture appeared before our committee and stated that we need not expect a further increase in farm prices. He said the A. A. A. had reached the limit of its effectiveness and that farm prices could not be expected to go higher. It is a rather surprising announcement in view of the fact that agriculture is still far below the parity it enjoyed before and during the war, and industrial prices are still advancing.

I quote from the hearings before the committee:

Mr. CANNON. Then, in your opinion, we must supplement the processing tax in order to carry us up to complete parity?

Secretary WALLACE. We are endeavoring to attain parity through our present program. But, with the powers as now existing, it is doubtful if you could use a processing tax fully and attain parity. The closer you get to parity, the smaller the processing tax is, and, therefore, the less incentive you can give the farmer to hold down production.

We are trusting that we will get adequate powers, both in the way of a renewed charter for the Commodity Credit Corporation and in the way of an amendment to the Agricultural Adjustment Act, so that we can help to bring about the plan with respect to cotton and corn, and perhaps some of the other farm products, by a device of that type, the device I term as the "ever normal granary." However, it will not give the very great result you hope for. As a matter of fact, I am afraid that, in this variable world, which is laboring in the shadow of the World War, with the grave maladjustments in regard to other countries—I am afraid that it is impossible to bring about overnight the answer you would like to have. I wish I could say something else, because I am as gravely concerned as you are with the agricultural section of the country; but when you endeavor to produce unusual results you often produce a further lack of balance, for which you usually pay.

Mr. CANNON. Then, Mr. Secretary, your conclusion, after perhaps a more careful study of the situation than anyone else has given it, is that we people on the farms may as well resign ourselves to peonage?

Secretary WALLACE. That is not my conclusion, sir.

Mr. CANNON. That we never can expect again to have a decent American standard of living on the farm?

Secretary WALLACE. That is not my conclusion.

Mr. CANNON. I hardly see how any other conclusion is to be deduced from what you have just told us. You say we can never achieve parity; that farm prices are certain to fall below even their present inadequate levels. If that is true, my advice to every young man on the farm is to get off and get off quick. And let labor take heed when you dump the young man power of the farm into the already overcrowded labor market of the industrial centers.

Secretary WALLACE. I had hoped that you were not a man so easily discouraged. I trusted that it would move you to try to discover a remedy.

Mr. CANNON. No one else could discourage me, Mr. Secretary, but yourself. You enjoy the confidence and regard of the American people to a remarkable degree. You have rendered invaluable service to agriculture and the Nation. I trust you are not disposed to consider the task completed when it has only begun. I am certain I speak for the farmer out in the wheat fields, out between the corn rows, and in the stock pens, when I express the hope that you will not grow faint-hearted or weary of well-doing.

Mr. Chairman, no party ever came to power so fully committed to a specific policy for farm relief. No Congress has ever been elected on a more definite and positive pledge to restore agriculture to a plane of economic equality with labor and industry. Now, with half the session behind us, it is suggested that these pledges are not to be carried out, that the wrongs and injustices which have bankrupted a great and prosperous industry and which have reduced the rural population of America to destitution are to be indefinitely perpetuated. Mr. Chairman, we are making history. Future generations will look back to this Congress. Let us hope for a timely and earnest consideration of the party and national policies we are so irrevocably formulating in the few remaining months of the session. The President is entitled to our loyal and undivided support in the adoption of his plan for complete agricultural relief. As he has so often indicated, farm prosperity means national prosperity. [Applause.]

Mr. HOPE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPE: On page 4, line 23, after the word "amended", strike out the comma and the remainder of lines 23 and 24 and insert a period.

Mr. HOPE. Mr. Chairman, this bill, beginning in line 11 at page 4, with the proviso, contains language which has not previously appeared in the agricultural appropriation bill, which would prohibit the officers and employees of the Department of Agriculture from issuing or causing to be issued any public statement which advocates reduced consumption of, or which asserts that it is harmful or undesirable to use, any wholesome agricultural food commodity.

This amendment was placed in the bill after a hearing was held which was participated in by a number of Members of Congress who requested this amendment because of the fact that the Bureau of Home Economics in the Department of Agriculture seems to have gotten into the hands of a group of food faddists who have proceeded to carry out their peculiar theories, so far as diet is concerned, by issuing bulletins and publications and by going on the platform and speaking over the radio, urging a change in the dietary habits of the American people. The principal change they have suggested has been one which would involve a great reduction in the consumption of wheat and other cereal products. They have done this by means of suggested diets, and I have here in my hands two publications of this Bureau in which they set out four different diets which they rank in the order of their desirability. Every one of these diets suggests the use of a smaller proportion of cereals and wheat flour than the average consumption in this country today.

Mr. TARVER. Mr. Chairman, will the gentleman yield for a question?

Mr. HOPE. Just briefly; yes.

Mr. TARVER. The gentleman recalls, of course, that he and a number of other Members of the Congress from the wheat-producing sections appeared before the subcommittee with regard to this proposition.

Mr. HOPE. Yes.

Mr. TARVER. Thereafter it was reported to the subcommittee that the gentlemen who entertain the same views the gentleman is now expressing, representatives of the Department and others who were interested, had arrived at an agreement upon the language which has been placed in the bill, including the language which the gentleman now desires to strike out by his amendment. Was the gentleman a party to that agreement?

Mr. HOPE. I was not, and the first I knew of the agreement—

Mr. TARVER. Is it not the gentleman's information that the major portion of the Representatives interested were parties to the agreement and their views were presented to the subcommittee in the form of an agreement to this language?

Mr. HOPE. I do not know about any agreement that may have been had with any other Member of Congress, but I knew nothing of this amendment or the language contained

in it until some time after it was inserted by the committee, and I am not a party to an agreement of any kind.

Mr. TARVER. If a majority of the Representatives from the wheat-producing sections who were interested did agree upon this language with the Department officials, does the gentleman think it would now be fair, even if he were not consulted, to strike out a portion of the language agreed upon by them?

Mr. HOPE. I do not believe that is the situation.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I want to complete my statement and then I shall yield if I have an opportunity.

The provision which the amendment I have offered would eliminate from the bill is really a joker, because it provides that notwithstanding the prohibition contained in the main part of the amendment, that it shall not apply to the issue or publication of any suggested balanced diet for food or feed purposes. If this remains in the bill it is going to largely nullify the effect of the remainder of the provision which the committee inserted, because it is by means of these suggested diets that the Department is carrying on this campaign of propaganda.

My friend the gentleman from Iowa has just suggested to me that to leave this language in the bill would be very much like the old rhyme which we have heard of the young lady who wanted to go out swimming and her mother cautioned her by telling her to hang her clothes on a hickory limb and not go near the water.

[Here the gavel fell.]

Mr. THURSTON. Mr. Chairman, the Committee has been liberal to the preceding speaker in regard to time, and this is an important question. We will only have a few amendments to the bill and I therefore ask unanimous consent that 5 additional minutes may be extended to the gentleman from Kansas.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOPE. Mr. Chairman, if the American people should follow the suggestions of the Bureau of Home Economics and adopt the diets which they recommend as best, it would mean a reduction in the average consumption of wheat flour in this country of from 170 pounds per capita annually to 76 pounds per capita annually. In other words, a reduction of almost 100 pounds per capita annually, and a total reduction in consumption for food purposes of 280,000,000 bushels of wheat.

Now, all this is going on at a time when the wheat section of the Agricultural Adjustment Administration is carrying on a program to reduce the surplus of wheat in this country by paying farmers for taking wheat land out of production.

And yet, another bureau of the same Department—Home Economics—is doing everything it can to increase the surplus by urging the people of the country to consume less wheat.

This is a matter that has been brought to the attention of the Secretary of Agriculture, and to the Chief of the Bureau of Home Economics, but nothing has come of it. The Secretary of Agriculture has apparently chosen to defend this inconsistent relationship which seems to exist between the chiefs of two departments—two bureaus in his Department, and with typical bureaucratic arrogance, the Chief of the Bureau of Home Economics has refused to consider requests that have been made by Members of Congress, by wheat producers, millers, and by bakers of this country, to cease publication of this propaganda, which cannot help but have a bad effect on the producers and processors of wheat in this country.

Mr. CULKIN. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. CULKIN. I had complaints from local bakers about this, and I called the latter to the attention of the proper officers of the Department of Agriculture. I got a letter that was at least very peculiar. I sent it to my constituent, and he wrote me another letter, which I called to the attention of the Department, to which I received a line of propa-

ganda in favor of the course of which the gentleman complains.

Mr. COCHRAN. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Missouri.

Mr. COCHRAN. I want to say that I have had at least 50 letters complaining about the publications the Department issued. They came from millers and bakers, and within the last few days I received letters in which the writers suggest the way to correct it is by the identical amendment which the gentleman from Kansas has introduced. They evidently knew about this amendment before the bill was reported.

Mr. KLOEB. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. KLOEB. Is it not a fact that if the gentleman's amendment is not adopted the entire paragraph should be stricken from the bill?

Mr. HOPE. I would hardly go that far, but I think the effect of the amendment will be very much lessened if this language remains in the bill.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PIERCE. Mr. Chairman, I move to strike out the last word. I have been here for over 2 years, and I have generally voted with the committee in consideration of bills and very seldom voted against the committee's recommendation, but here is one place where I ask my colleagues to vote against the committee and for this amendment offered by the gentleman from Kansas. With other Congressmen, I went before the Committee on Appropriations when this matter was under consideration. We asked for the amendment for the purpose of curbing and preventing the Bureau of Home Economics from carrying on their propaganda against the use of wheat and wheat products. Without our knowledge, the words that the Hope amendment strikes out, were added, we think, because the Bureau asked that they be added to nullify the effect of the amendment. The committee did one thing for us in the amendment which we asked for and then turned around and killed it in these last words, which the Hope amendment will strike out, and as the gentleman from Ohio [Mr. KLOEB] said a moment ago, the committee clearly nullifies the whole amendment by adding these words. Those words, we are informed, did not come from the Committee on Appropriations but came from the Bureau. In one bureau of the Department of Agriculture they are asking us to curtail our production of wheat and paying us for doing so by the allotment plan, while in another bureau they tell the people why they should not eat so much wheat. If I ever saw a team of horses pulling in opposite directions, this is the time. I sincerely ask the gentlemen of the Committee to vote for the Hope amendment.

I remember when Alexander Legge, the head of the Farm Board, went through the country. He stated that the consumption of wheat in this country before the World War was 5.6 bushels per capita, that it had dropped to 4.3 bushels per capita (that was in 1930), and now, in 1935, it has dropped to 4 bushels per capita. The Bureau that wants these diets published is making every effort to push it still lower. There is no better food for human consumption than wheat. American people are much influenced by propaganda. A few years ago it was whole-wheat bread, not long ago bran. The best doctors now tell us there is nothing better than white bread.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. Yes.

Mr. HOUSTON. Does the gentleman think it is fair for any bureau of the Government to agitate a less consumption of any edible commodity?

Mr. PIERCE. I do not think it is fair. I think it is unfair.

Mr. HOUSTON. Is it not a fact that most dietary experts agree that wheat is all right?

Mr. PIERCE. There is nothing better.

Mr. HOUSTON. I am with you.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. Yes.

Mr. TRUAX. I am in accord with what the gentleman has stated. I think we ought to muzzle this Bureau of Economics insofar as this public propaganda is concerned. What I want to know is, What is the difference between this amendment in the bill and the amendment of the gentleman from Kansas?

Mr. PIERCE. The amendment of the gentleman from Kansas cuts out these last words.

Mr. TRUAX. What words are deleted by the amendment?

Mr. PIERCE. Commencing with the word "or", in line 23, striking out all the rest of the paragraph:

Or to the issue or publication of any suggested balanced diet for food or feed purposes.

By adding those words they have simply killed all of our efforts.

Mr. HOPE. The purpose in striking out that language is this: If they are permitted to make this exception and issue these publications containing balanced diets, they will go on just as they have because that is the method that they have followed.

Mr. PIERCE. I say to the committee that they have done nothing for the wheat producers at all, if these last words are allowed to remain.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. Yes.

Mr. TARVER. The gentleman speaks of adding words or of words added to the amendment. I hope he understands that the subcommittee did not add any words to the amendment, but the amendment is in the bill in the exact language in which it was brought to the subcommittee, with the statement that it had been agreed upon.

Mr. PIERCE. Then I apologize to the committee. I did not know that. These last words, in lines 23 and 24, page 4, did not receive my approval, nor that of Representative Hope.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. BUCHANAN. Mr. Chairman, there is such a thing as a minority organization being too selfish. About 10 or 12 Members from the wheat-raising section of our country came before this subcommittee. At that hearing I was sitting with the subcommittee. They brought propaganda there emanating primarily from the A. A. A. and in verbal speeches made by them. They had a bulletin that was issued for a balanced diet to furnish the greatest nutrition at the least cost for relief purposes. That is the bulletin the gentleman quoted from. Discussion went on before that subcommittee. I stated to them why it would not do in this country to prohibit the publication of balanced diets. Those gentlemen, or those who spoke on this subject, agreed that balanced diets should be published, and the gentleman from Kansas [Mr. HOPE] knows that not a single man advocating this amendment to stop the propaganda objected to the publication of the balanced diet. Did the gentleman object?

Mr. HOPE. I did not understand the first part of the gentleman's statement.

Mr. BUCHANAN. I stated to the committee that we should not prohibit the Department from publishing any bulletins of balanced diets, and not a single one of those who spoke upon the subject but agreed that balanced diets should be published.

Mr. HOPE. I do not remember making any such agreement.

Mr. BUCHANAN. I did not say "agreement" at all.

Mr. KLOEB. Will the gentleman yield?

Mr. BUCHANAN. If I have time to finish my speech, I will.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BUCHANAN. Yes; I yield.

Mr. CHRISTIANSON. I was one of those present, and I said specifically that if I had my way I would wipe out the whole Bureau of Economics, because I objected to all of it.

Mr. BUCHANAN. That is not the question.

Mr. CHRISTIANSON. But that answers the gentleman's question.

Mr. BUCHANAN. Wiping out the Bureau is one thing; but none of you objected to the publication of a balanced diet.

Mr. CHRISTIANSON. I did.

Mr. BUCHANAN. Get your testimony.

Mr. HOPE. I will say that I did.

Mr. BUCHANAN. Many of you or some of you absolutely agreed to the publication of a balanced diet.

Mr. KLOEB. Will the gentleman yield?

Mr. BUCHANAN. No; not until I have finished.

After that I took up the question with the Department. Now, the gentleman from Oregon [Mr. PIERCE] said that this was a departmental amendment. Where did he get that information?

Mr. PIERCE. I got that information.

Mr. BUCHANAN. Well, it is not true.

Mr. PIERCE. Then I apologize. I was told it was true.

Mr. BUCHANAN. A Member who represented the wheat section of this country, represented the wheat section of Congress, the gentleman from Louisiana [Mr. SANDLIN], chairman of the subcommittee, a man from the Department, and I worked out this amendment. I had no idea there would be any objection anywhere to the amendment, and it was put in the bill for the accommodation of the wheat section of this country.

Mr. PIERCE. Will the gentleman yield?

Mr. BUCHANAN. Not now. What happened? Some Member found out about the entire amendment, gave it out to the mills in this country, and the wheat millers, if you please, got up a letter, mimeographed that letter, and propagandized the Members of Congress on this amendment, asking to strike out the last two lines, and I have one of the letters here signed by the millers. But that has nothing to do with the merits of the situation. Should we penalize every other kindred agricultural industry in order that the millers or somebody else may make a few more dollars of profit? Do you know that if this language is stricken out and the amendment of the gentleman from Kansas [Mr. HOPE] carries, what it will do? It will prevent the real research department of this Government from publishing the results of science as applied to human food and stock feeds. Do we want a research department of this Government, employing chemists and other scientists to go into a subject and then after they have investigated it thoroughly, not only through the Bureau of Agricultural Economics, but through the Bureau of Chemistry and other bureaus, and know what elements each commodity contains and then arrive at the correct and the true answer, say that it shall not be published?

The CHAIRMAN. The time of the gentleman from Texas [Mr. BUCHANAN] has expired.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BUCHANAN. Not now. No nation on earth, as far as I know, prohibits publication of scientific facts such as these. I do not mind yielding if I had the time, but I do not have the time.

Now, what is the result if the gentleman's amendment is adopted? I have served on the Subcommittee on Agricultural Appropriations longer than any man in Congress. I am familiar with all of its operations. What will be the result if the amendment of the gentleman from Kansas is carried? You could not publish a bulletin to tell the stock raiser in this country the proper ration to feed to produce the greatest amount of weight of beef fat with the least cost. You could not publish a similar bulletin for the goat raisers or the sheep raisers who might want to know what to feed to produce more wool or better or more meat; we could not publish a similar bulletin for those who raise poultry; we could not publish a similar bulletin for those who raise hogs. These balanced-feed rations are universally used throughout the stock-raising sections of our country. You are fooling with a dangerous subject. I make this prediction without any fear of successful refutation, that if you strike out that provision and prevent the publication of balanced diets for human beings, other animals, and poultry, you will get an overwhelming protest against

it and it will go out on a roll call in this House. Are we legislating especially for the millers of the United States? I just covered foodstuffs.

You Members from the South, listen to me. There was a time when 30 or 40 percent of our children who attended the public schools were affected with pellagra. It was discovered that they ate certain foods in such proportion that they caused pellagra. The Department published a balanced diet to cure pellagra and it has disappeared from the children of our country. The same thing applied to rickets. It was spreading over our country. It was found it was caused by improper diet. They published a bulletin, and it is being rapidly decreased. Yet the gentleman's amendment would strike out all this great service to humanity throughout our country, for the benefit of the millers.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BUCHANAN. No; not now.

Not only that, but the Department, by the operation of its research bureaus, has ascertained a proper diet for the babies of our land. They sent that out in a dietary bulletin for young mothers. It is exceedingly popular. They are commended even by the medical profession. Mothers throughout our land are guided by it; yet this amendment would prevent the publication of a balanced diet, to the misery of the babies of our land and to their improper development and growth. That is the other side of it. The committee put into the proviso in the bill on page 4 sufficient language to stop any propaganda by the Department against the use of any wholesome agricultural food commodity—the gentleman will admit that; but we made it clear in that proviso that the Department would have the right to publish the facts as developed by science of what constitutes balanced diets for men, women, and children. Have not men, women, and children as much right to consideration, especially where their health is concerned, as the wheat millers?

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BUCHANAN. No.

The only complaint the gentleman has is by speakers from the A. A. A. I know the gentleman from Kansas [Mr. HOPE] thinks differently, but he has not investigated the facts.

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. CHRISTIANSON. Reserving the right to object, and I shall not object—

Mr. BUCHANAN. If there is the slightest objection, I will not proceed.

Mr. CHRISTIANSON. I shall not object if the gentleman will yield for a question.

Mr. BUCHANAN. I will yield for a question as soon as I get through with this.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DUNN of Pennsylvania. Mr. Chairman, I suggest that the gentleman's time be increased 10 minutes. We city folks would like to get some information.

Mr. BUCHANAN. I do not blame the city folks for wanting to get information on this subject. We cannot legislate here for one faction, one minority organization; we are here to legislate for the entire American people; and I come from a wheat-producing State and a wheat-producing congressional district.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield, but make the question short.

Mr. CHRISTIANSON. Is there anything in the bill as it will read if the amendment is adopted that will prevent the Bureau of Home Economics from publishing any information as to the desirability of using the so-called "protective foods"?

Mr. BUCHANAN. There is. If the proposed amendment is adopted, in my judgment it will prevent the Bureau of Home Economics, or any other bureau or employee of the Department, from publishing any balanced diet of food for man or stock.

Mr. CHRISTIANSON. I would ask the gentleman to read the language:

No part of the funds appropriated by this act shall be used for the payment of the salary of any officer or employee who issues any statement which advocates reduced consumption of or which asserts that it is harmful or undesirable to use any wholesome agricultural food commodity or any manufacture thereof.

There is nothing in this language that would prevent the publishing of any information as to the desirability of feeding the so-called "protective foods."

Mr. BUCHANAN. I think there is. If a bulletin came out with a suggested diet consisting of a reduced amount of one food commodity and an increased amount of another, someone would contend that it advocated reduced consumption of some food commodity, and the committee is not willing for the Department to be placed in that position or the salaries of employees to be withheld by the Comptroller on that account.

Now, let me say something: You gentlemen have proceeded on a misunderstanding of the facts. Here [exhibiting] is the latest bulletin published by the Bureau of Home Economics, Circular No. 296, United States Department of Agriculture, Diets at Four Levels of Nutritive Content and Cost. I call attention particularly to the following table on pages 18 and 19:

Approximate yearly quantities of food for persons of different age, sex, and activity

Item	Active boy over 15 years				Moderately active man				Very active man			
	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet
Flour, cereals.....pounds..	370	350	230	125	280	260	220	125	455	435	290	200
Or—												
Bread.....do.....	170	160	240	150	130	120	240	150	210	200	350	240
Flour, cereals.....do.....	255	240	70	25	195	180	60	25	315	300	60	40
Milk, or its equivalent ¹quart..	182	273-365	240-365	240-365	91	182	182	182	91	182	182	182
Potatoes, sweetpotatoes.....pounds..	225	225	300	300	160	160	160	150	300	300	350	350
Dried beans, peas, nuts.....do.....	30	30	30	10	40	40	30	10	50	50	35	10
Tomatoes, citrus fruits.....do.....	50	50	100	120	50	50	100	120	50	50	100	120
Leafy, green, and yellow vegetables.....do.....	25	50	100	180	40	75	100	180	25	50	100	180
Dried fruits.....do.....	10	20	45	30	15	30	35	25	10	20	40	30
Other vegetables, fruits.....do.....	50	100	300	400	50	100	270	400	50	100	270	400
Fats (including butter, oils, bacon, salt pork).....pounds..	65	75	80	80	55	65	65	65	75	85	95	100
Sugars ²do.....	70	55	115	115	70	60	75	75	80	65	115	115
Lean meat, poultry, fish.....do.....	35	75	150	250	40	75	125	220	50	100	150	250
Eggs.....dozens.....	6	12	15	30	6	12	15	30	6	12	15	30
Cod-liver oil, ⁴ or its equivalent in vitamin values.....												

¹ The following are approximately equivalent to the food value of 1 quart of fluid whole milk: (1) 17 ounces of evaporated milk; (2) 1 quart of fluid skim milk and 1½ ounces of butter; (3) 5 ounces of American Cheddar cheese; (4) 4½ ounces of dried whole milk; (5) 3½ ounces of dried skim milk and 1½ ounces of butter.

² Data on nutritive value based on lower figures.

³ 1 pint (1½ pounds) of molasses or heavy cane or sorgo sirup is approximately equivalent in fuel value to 1 pound of granulated sugar. The unrefined molasses and sirups are also valuable for their calcium and iron content.

⁴ 2 to 4 teaspoonfuls daily are recommended for children under 2 years. These quantities may also be taken by persons of other ages, when it is desired to enhance the vitamin A and D values of the diet. The figures on nutritive value presented in this table do not include the food values of cod-liver oil.

Approximate yearly quantities of food for persons of different age, sex, and activity—Continued

APPROXIMATE NUTRITIVE VALUE PER DAY OF DIETS SUGGESTED ABOVE

Item	Active boy over 15 years				Moderately active man				Very active man			
	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet	Restricted diet, emergency	Adequate diet, minimum cost	Adequate diet, moderate cost	Liberal diet
Energy value.....calories	3,701	4,039	4,218	4,053	3,021	3,385	3,428	3,326	4,286	4,660	4,586	4,523
Calories from protein.....percent	10	11	10	11	10	11	10	11	10	11	9	10
Protein.....grams	96	112	103	106	76	92	88	92	109	126	107	112
Protein from animal sources.....percent	29	41	50	67	25	39	47	66	18	32	42	59
Fats.....grams	120	155	177	203	98	151	144	169	129	167	190	220
Carbohydrates.....do	557	544	550	448	457	455	442	356	670	658	601	520
Calcium.....do	1.03	1.40	1.16	1.17	0.65	1.03	0.91	0.93	0.78	1.15	0.99	1.01
Phosphorus.....do	1.73	2.08	1.81	1.80	1.32	1.67	1.49	1.52	1.82	2.18	1.78	1.79
Iron.....do	0.0139	0.0163	0.0203	0.0210	0.0124	0.0149	0.0166	0.0176	0.0172	0.0198	0.0211	0.0231
Vitamin A.....unit	2,626	4,683	6,072	7,197	2,357	4,676	5,553	6,690	2,120	4,179	5,737	7,486
Vitamin C.....do	87	112	193	284	84	115	160	233	89	116	190	254

PROPORTION OF CALORIES DERIVED FROM SPECIFIED TYPES OF FOOD

Bread, flour, cereals.....percent	47	40	24	14	44	36	29	17	50	44	28	19
Milk.....do	10	14	11	11	6	11	10	10	4	8	8	8
Vegetables, fruits.....do	12	13	20	20	14	15	19	19	14	14	19	18
Fats.....do	18	19	20	20	19	20	19	20	18	19	22	23
Sugars.....do	9	7	13	13	12	9	10	10	9	7	12	12
Lean meat, fish, eggs.....do	4	7	12	22	5	9	13	24	5	8	11	20

APPROXIMATE RETAIL MONEY VALUE AT 1931-32 PRICE LEVEL

1931-32 price level:												
Per day.....dollars	0.209	0.274	0.483	0.573	0.169	0.236	0.415	0.508	0.217	0.286	0.400	0.593
Per week.....do	1.47	1.93	3.39	4.02	1.19	1.66	2.91	3.56	1.52	2.01	3.44	4.14
Per year.....do	76	100	176	209	62	86	152	185	79	104	179	215

PROPORTION OF RETAIL MONEY VALUE USED FOR SPECIFIED TYPES OF FOOD

1931-32 price level:												
Bread, flour, cereals.....percent	29	20	12	6	27	18	13	6	34	24	16	9
Milk.....do	25	29	16	14	15	22	14	12	12	18	12	10
Vegetables, fruits.....do	21	21	33	13	27	27	34	36	24	24	32	33
Fats, sugars.....do	16	15	15	13	18	16	15	12	18	16	17	15
Lean meat, fish, eggs.....do	9	15	24	34	13	17	24	34	12	18	23	33

The trouble is these gentlemen have picked only one little bulletin of restricted diets for relief purposes and they condemn the whole program of the Agricultural Department on the consumption of wheat, regardless of all other diets for the use of cereal and other agricultural food commodities.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. HOPE. Will the gentleman refer to table 5 on page 12, in which it is stated that the restrictive diet calls for 168 pounds of wheat flour, which is 2 pounds less than we are consuming today?

Mr. BUCHANAN. Oh, that is not significant.

Mr. HOPE. But the gentleman does not deny that.

Mr. BUCHANAN. It reduces the consumption of wheat only 2 pounds per man per year.

Mr. HOPE. The gentleman knows, does he not, that they do not recommend that diet? They say that is a mere existence diet and that the diet they do recommend calls for 76 pounds of wheat flour, or almost 100 pounds per capita less than we are consuming today.

Mr. BUCHANAN. They do not recommend that.

Mr. HOPE. Is not that true?

Mr. BUCHANAN. No; that is not true; they do not recommend that at all.

Mr. HOPE. Will the gentleman read the table on page 12?

Mr. BUCHANAN. Look at the bulletins in my hand. I just gathered up what I could lay my hands on when I heard this amendment was going to be offered this morning: "Balanced Ration for Food for Livestock"; "Balanced Ration for Children"; "Balanced Ration for Adults"—the result of scientific investigations and actual demonstrations. What a ridiculous situation it would be to have these scientific bureaus which have been instructed to conduct researches and to bring back the result of their researches, to be forbidden to publish the results for the benefit of the American people! [Applause.]

[Here the gavel fell.]

Mr. CHRISTIANSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, Theodore Roosevelt, who coined many expressions that have been incorporated into the American, as distinguished from the English language, popularized the term "weasel words." Weasel words are words that suck the meaning out of what one has said. The words that we seek to have stricken from this bill answer that description.

Note the general prohibition embodied in this provision, found in lines 11 to 20, inclusive, on page 4:

No part of the funds appropriated by this act shall be used for the payment of the salary of any officer or employee * * * who * * * issues * * * any statement * * * which advocates reduced consumption of, or which asserts that it is harmful or undesirable to use, any wholesome agricultural food commodity or any manufacture thereof.

There is nothing in that language that prohibits the publication of information as to what constitutes protective foods. There is nothing that forbids advising the people to eat, for instances, oranges and other citrus fruits and making them a part of the diet. The only thing the provision prohibits is advising the public not to eat certain foods although those products are recognized as being wholesome.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. CHRISTIANSON. I yield.

Mr. GILCHRIST. Is there anything in this language which prevents the department from saying, if it so chose: "Please eat oysters"?

Mr. CHRISTIANSON. Not at all. The only thing the Department is prohibited from saying is, "Do not eat oysters, although oysters are wholesome."

The provision in the bill, which I have quoted, is a manly, clean-cut statement. It serves notice on the bureaucrats, male and female, in the Department of Agriculture that if they do not quit meddling with the food aptitudes and appetites of the American people, their salary checks will stop coming. It hits the would-be autocrats of the breakfast table, the dinner table, and the supper table in the only place where they are vulnerable. It threatens their meal ticket.

One, reading thus far and no farther, would suppose that henceforth there would be more than lip service to the philosophy of Thomas Jefferson, who declared that "that gov-

ernment is best which governs least", and that the happy day was at hand when people could, at least, go to the table without getting marching orders from Washington. The dining room was to be excepted from the general order of regimentation.

But these high hopes are not to be realized, for reading on we find that the provision "shall not apply to * * * the issue or publication of any suggested balanced diet."

The exception repeals the rule. The Bureau of Home Economics must not advocate reduced consumption of any wholesome food, but it may prescribe a "balanced diet"; it may tell the people what foods they may eat, and in what amounts and proportions. How can anyone tell another what constitutes a balanced diet without discouraging the consumption of some food products and encouraging the consumption of others? Can a dietitian tell me to eat spinach instead of bread without advocating a reduced consumption of wheat and an increased consumption of grass? To ask the question is to answer it.

If the advice that has emanated from the Bureau of Home Economics were good, if it were scientifically sound, there might be some slight justification for the continuation of this paternalistic—or should I say maternalistic?—meddling with the individual's concerns. But it is not sound, it is not scientific, it is not backed by the judgment and experience of the medical authorities of the country. That the present consumption of wheat flour should be reduced has been challenged by scientists of unquestioned standing in every leading university in the land and in all the great medical research centers, including the world-famed Mayo Foundation, located in my own State.

[Here the gavel fell.]

Mr. CHRISTIANSON. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

Mr. SANDLIN. Reserving the right to object—and I will not object—I believe the House pretty thoroughly understands the discussion in reference to this amendment; and at this time I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. KLOEB. Mr. Chairman, I object.

Mr. SANDLIN. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 10 minutes.

The question was taken; and on a division (demanded by Mr. PIERCE) there were—ayes 65, noes 43.

So the motion was agreed to.

Mr. RICH. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The count just made discloses the presence of a quorum.

Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CHRISTIANSON. Mr. Chairman, against the word of scientists of unquestioned standing, shall we accept the recommendations of a group of food faddists who have had no contact with the problem of diet except to write about it? Someone has said, "Those who can, practice; those who can not, teach!" Spinster instruct mothers how to raise babies; an 80-year-old woman in New Orleans gives advice to the lovelorn in half the newspapers in the country; and a group of women in the Department of Agriculture, whose knowledge of food was acquired principally at the table, presume to prepare menus for the American people.

If the Government is to take responsibility for what the people shall eat, let it at least provide good advice from recognized authorities. Such men, however, with the greater modesty which characterizes those whose judgment is based upon broad knowledge and ripe experience, would probably fear to tread where rash and brash amateurs do not hesitate to rush in.

It was my good fortune at one period of my life, when I needed medical and surgical assistance, to be under the care of a physician whose renown is world-wide. After another

had kept me for several months on a diet of lettuce and string beans, he said: "You like thick, red, juicy steaks, and you might as well have had them. Eat what you like, eat what agrees with you, but don't eat too much!"

The wisdom of that advice should be commended to the well-meaning but overzealous and misguided sisters in the Bureau of Economics. Let them not take their mission too seriously. The human race got along without their advice for hundreds of thousands of years, taking counsel only from its own instincts, and remained almost dangerously healthy on such proscribed foods as wheat and meat. I believe that the race would muddle through for a few centuries more, would continue to grow and to reproduce itself, even if the United States Government should limit itself to the functions for which governments were instituted among men. [Applause.]

Mr. HOUSTON. Will the gentleman yield?

Mr. CHRISTIANSON. I yield to the gentleman from Kansas.

Mr. HOUSTON. Does the gentleman know of any world-renowned medical expert who has ever advocated a less consumption of bread?

Mr. CHRISTIANSON. Not one.

[Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I do not think it is necessary to discuss this amendment further after the very able explanation given by the Chairman of the Appropriations Committee, the gentleman from Texas [Mr. BUCHANAN]. The subcommittee wrote the amendment that was presented to them and was told that it met with the approval of the gentlemen who came before our committee. If they say it does not meet with their approval, why, of course, I will take their word, but certainly I know one or two who were present before our committee and sat in and helped prepare this amendment with a representative of the Department and with the chairman of the full committee, Mr. BUCHANAN.

I do not criticize the gentlemen who come from the wheat sections if they are alarmed over the pamphlets sent out by the Bureau of Home Economics, but frankly, I think they have been unduly alarmed and that there has been raised here a "tempest in a teapot" based solely on the propaganda started by several individuals in this country.

The words contained in the two or three lines attempted to be stricken out by the gentleman from Kansas may in some way contradict and not be in entire accord with the preceding lines; yet, in my humble opinion, this provision, if adopted as it is, will accomplish that which the wheat people and the representatives of the wheat people want accomplished and no other bulletin will be sent out of the same kind that these gentlemen are complaining about.

Mr. Chairman, if the amendment proposed by the gentleman from Kansas is adopted, in my own humble opinion, you had better wipe out all appropriations for the Bureau of Home Economics and have none at all. If the Membership of this House are so displeased with the operation of the Bureau of Home Economics and think its efforts have been worthless and no good, why, of course, they have the privilege to say that.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. SANDLIN. Yes.

Mr. CHRISTIANSON. If this amendment is adopted will the Bureau of Home Economics be prevented from disseminating any information as to the desirability of using and eating so-called "protective food"?

Mr. SANDLIN. I stated I did not believe the Bureau of Home Economics would issue another pamphlet, as they have in the past, after this discussion and after knowing at what this provision is directed.

Mr. CHRISTIANSON. But the gentleman does not answer my question. Is there anything in the amendment that would prevent or prohibit the Bureau of Home Economics from disseminating information and advice as to the use of protective foods?

Mr. SANDLIN. Of course, they could issue pamphlets saying what is a balanced diet, but in that they could not

make any statement, oral or written, which advocated reduced consumption or make statements like those the gentleman complains of in the pamphlet that was issued.

Mr. CHRISTIANSON. Is it not a fact that the only thing that would result from the adoption of this amendment would be to prohibit the Bureau from saying, for instance, "You must eat chicken instead of beef, or more vegetables and less wheat", or vice versa, whereas if the amendment is adopted the Department can still disseminate information as to the value of all of these food products?

Mr. SANDLIN. I do not agree with the gentleman.

Mr. CHRISTIANSON. A casual reading of the language discloses that.

Mr. SANDLIN. In conclusion, Mr. Chairman, I think it would be a mistake to adopt the amendment offered by the gentleman from Kansas [Mr. HOPE]. I have always had, and still have, a high regard for his service here and for his able discussion of matters that come before the House. I still hold a high regard for him, but I think it would be a mistake to adopt the amendment, a portion of which would mean a virtual wiping out of the Bureau of Home Economics presided over by Dr. Stanley.

Mr. CARPENTER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Motion offered by Mr. CARPENTER: To strike out the enacting clause.

Mr. CARPENTER. Mr. Chairman, I did not offer this motion to kill this bill, but there are a number of us from the wheat-producing country who are very much interested in the matter being presented to the House, and we were summarily cut off from debate on the proposition. I say to you this is not a fair proposition to us or to our constituents with respect to this matter.

Whatever the excuse is that is offered by the Bureau of Home Economics for this diet or for all this propaganda they are putting out against wheat, the result is the same.

Mr. TARVER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. TARVER. I insist, the gentleman having made a motion to strike out the enacting clause and addressing the Committee with reference to that motion, cannot devote his argument to the question of an amendment offered to the bill, debate on which has been limited by action of the Committee.

The CHAIRMAN. The Chair will state to the gentleman from Georgia that this motion opens up the entire bill and the entire scope of the bill for discussion, and therefore the Chair overrules the point of order.

Mr. CARPENTER. I will say again, whatever the excuse of these bureaucrats down there may be, the result is the same.

You can all recall when Mr. Hoover was the Food Administrator of this country the propaganda which was put out all over this country to eat less meat. What did that do? That ruined the meat-producing industry in this country. There is no question about that. Now, these pamphlets that this Bureau is putting out are circulated all over this country. They go to our county agents, they go into our schools, and the propaganda is spread all over the country and is aimed at a reduction in the consumption and hence production of wheat. Various Members have told you what this means to the wheat producers of this country and they have given you all the reasons why it should be stopped.

Our distinguished Chairman of the Appropriations Committee appeared here and made quite an eloquent speech, which seems to have swayed this House; but I recall just a day or two ago when he appeared before this committee when the Banking Committee had a bill here and Chairman STEAGALL was in charge of the measure, he took the bit in his mouth and said it was time that this Congress got up on its hind legs and showed these bureaucrats who was running the country, and he put over an amendment, as you will recall, to give Congress charge of the appropriations with respect to

the money going to the H. O. L. C. He put that over and we are asking the same thing in this case.

I was very much surprised a year or two ago to find any propaganda of this kind being put out. We had several meetings of the representatives of the wheat producers in this country and tried to do something about it. We appealed to the bureaucrats and the Secretary of Agriculture to help us, but they would not do anything for us.

Now, all the farmer is asking for in this measure is that the Government not do anything to him. He is not asking the Government to do anything for him, but that the Government not do anything to him, and the only way we could get at this matter was through the Appropriations Committee, and we had there the Chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES], who appeared, the same as the Chairman of the Appropriations Committee with respect to this banking measure that was under consideration here the other day. We also had the gentleman from Kansas [Mr. HOPE], the ranking minority member of the Committee on Agriculture, as well as other members of that committee and representatives from the wheat-producing section, who appeared before the Appropriations Committee and presented this matter. I did not hear any such agreement as was referred to here. We argued against any joker of this sort being put in the bill, and that is all this amounts to.

I am asking you gentlemen to give us fair consideration and to come out of the cloakrooms and listen to the debate. Do not run out here and vote against us without hearing the arguments.

Mr. HOEPEL. Mr. Chairman, will the gentleman yield?

Mr. CARPENTER. I yield.

Mr. HOEPEL. I should like to make the observation that the American people are not interested in a balanced ration; they are interested in something to eat; and I should like further to state that I have repeatedly followed the gentlemen from the South on cotton, although I have no cotton and no wheat. I think the Congress should follow the gentlemen from the wheat-producing States with respect to this amendment.

[Here the gavel fell.]

Mr. CARPENTER. Mr. Chairman, I ask unanimous consent to extend my remarks and include therein a short statement that I made before the subcommittee of the Committee on Appropriations.

The CHAIRMAN. Is there objection?

There was no objection.

The statement is as follows:

MONDAY, FEBRUARY 25, 1935.

STATEMENT OF HON. RANDOLPH CARPENTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KANSAS

Mr. CARPENTER. I also come from a large wheat-producing section, and I wish to join in with what has been stated by Mr. JONES and Mr. HOPE and the other gentlemen in protesting this propaganda being put out by this Department or by the Department of Agriculture.

Last year this matter was called to our attention and we had several protest meetings. At that time a committee waited upon the Secretary of Agriculture and Dr. Stanley and others in the Department and asked them then to desist from this action—apparently without any luck. At that time—that is, at the time of this meeting—I then suggested it appeared to me that the only way we could stop this propaganda was through the Appropriations Committee, and that is exactly what we are trying to do at this time.

I am opposed to any Government money being used for this purpose, and also agree with Mr. CARLSON that, if necessary, I would favor abolishing the whole Bureau.

The CHAIRMAN. Why could not you stop it through Mr. JONES' committee?

Mr. CARPENTER. I am perfectly willing to ask their assistance, and that is the committee we were acting through last year.

The CHAIRMAN. That is really the legislative committee for the Department of Agriculture, and that is really the committee that ought to stop it.

Mr. CARPENTER. That is the committee we tried to have stop it in the last year.

Mr. JONES. I will state this, in that connection, that it might take a little longer, but there will be something done along that line if it is not properly restricted. But I think the restriction could be put in the annual appropriation until they could get their bearings on this thing, and I believe that Bureau can exercise some very useful functions. I do not care anything about abolishing it.

The CHAIRMAN. You gentlemen from the Wheat Belt over there, some of you have been pretty vigorous in condemning the Appropriations Committee for bringing legislation in on an appropriation bill.

Mr. JONES. This is not legislation; this is a restriction.

The CHAIRMAN. Oh, yes—

Mr. JONES. Under the Holman rule, that is perfectly legitimate on an annual appropriation and is in order.

The CHAIRMAN. I know it is in order, but it is legislation just the same.

Mr. JONES. No; it is not legislation; it is a restriction on the appropriations.

Mr. SANDLIN. It is the only legislation which is in order on an appropriation bill. It is legislation; but, under the Holman rule, you could not oppose it.

Mr. JONES. That only applies to one thing—

The CHAIRMAN. If it is wrong, you ought to stop it.

Mr. JONES. As a matter of fact, it may be necessary to do that. I do not care anything about trying to revamp the entire law. But I think the Bureau of Home Economics has done some fine work. But I think this appropriation for the year ought to carry the restriction, and, if it becomes necessary to establish it as permanent law, we will do it.

Mr. UMSTEAD. Mr. Chairman, I rise in opposition to the motion. I shall discuss the amendment, because that is the real issue involved in the motion which has been offered.

As a member of the Subcommittee on Appropriations for the Department of Agriculture, I am quite certain that the members of the subcommittee desired to cooperate, as far as possible, in seeking to do what the gentlemen from the wheat sections asked the subcommittee to do. The Democratic and Republican members of the subcommittee alike gave a courteous, attentive, and sympathetic hearing to the gentlemen who appeared before our committee. We asked them to prepare what they thought would be the proper language, in the form of an amendment, for insertion in the bill for the purpose of correcting the situation about which they complained.

The Chairman of the Committee on Appropriations has stated, on this floor, that the amendment was prepared by him, a representative of the Department, and one of the gentlemen who appeared before our committee seeking relief, and said amendment has been incorporated in this bill by the subcommittee exactly as it was submitted to our committee.

I therefore think it unfair and unnecessary for some of those who have spoken on this matter to infer that members of the committee have undertaken to add a rider which the proponents of the change do not want, when, as a matter of fact, each member of the subcommittee was exceedingly anxious to assist in obtaining the relief these gentlemen desired.

Mr. TARVER. Will the gentleman yield?

Mr. UMSTEAD. I yield to the gentleman from Georgia.

Mr. TARVER. Is it not true that when these gentlemen appeared before the subcommittee they had not worked out any form of provision or limitation in the language which they desired to attach to the bill?

Mr. UMSTEAD. That is true.

In my opinion, in spite of the criticism which has been directed against this Bureau, it is rendering constructive and worth-while service.

The gentleman from Minnesota, who had the advantage of expert advice and medical treatment, is not in the same position as the poor baby in swaddling clothes whose parents cannot send it to a hospital. The gentleman went to an expert and obtained advice about his health. The poor people of this country frequently do not have the money to go to a hospital or to obtain expert medical advice, and they necessarily have to look to the Government for advice and information in regard to proper diets.

Although the advice of the Bureau in suggesting balanced diets may or may not be always scientifically correct, no one has been heard to say that the work of this Bureau is detrimental to the health of those it seeks to serve.

The gentleman from Minnesota is no doubt correct in the statement that the human race will continue hundreds of years more. For hundreds of years the human race did continue, in spite of typhoid fever, smallpox, and many other contagious diseases. Certainly no one would contend that the efforts made by our Government to cure, control, and

prevent contagious diseases has not been a worth-while contribution to the advancement and progress of our race.

Certainly information in regard to well-balanced and healthful diets must be of tremendous assistance to millions of people throughout this Nation.

An amendment ought not to be adopted which will make it impossible for the Bureau of Home Economics to render assistance to the people who consume agricultural products and who use commodities produced in this country.

Do not penalize poverty in America by the adoption of this amendment, and let us not make it impossible for this Bureau to render worth-while assistance in a matter vitally connected with the health of our people. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time on the pending motion has expired.

Mr. CARPENTER. Mr. Chairman, I ask unanimous consent to withdraw my amendment to strike out the enacting clause.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CARLSON. Mr. Chairman, I move to strike out the last three words.

The CHAIRMAN. Two minutes yet remains under the limitation of time set by the committee.

Mr. CARLSON. Mr. Chairman, I do not want to take the time of the House, but the statement has been made that we who represent the wheat districts, appeared before the Appropriation Committee, which we did, and we received courteous and considerate treatment. We agreed on an amendment, but I assure the gentleman that the amendment submitted did not contain the words:

Or to the issue or publication of any suggested balanced diet for food or feed purposes.

I admit I do not know how they got in there, but I certainly would not have offered them at that time, because we might just as well have left the bill the way it is.

Mr. TARVER. Mr. Chairman, will the gentleman yield for a brief question? I should like to know on what page of the hearings appears the amendment that the gentleman said he submitted. I have no recollection of the gentleman having offered an amendment.

Mr. CARLSON. I call attention to page 1486 of the hearings. It has been stated that we did not object to this Bureau, and I stated on this page the following:

Personally, if this amendment or some similar amendment cannot be adopted, I would not object if the appropriation were withheld from the entire Bureau.

I realize there are a lot of benefits to be obtained from dietary suggestions, but we do not believe our Government money should be used to impair the progress of an industry now struggling for its very existence.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE].

The question was taken; and on a division (demanded by Mr. HOPE) there were—ayes 39, noes 68.

So the amendment was rejected.

Mr. CHRISTIANSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CHRISTIANSON: Page 4, lines 23 and 24, after the word "publication", strike out "of any suggested balanced diet for food or feed purposes", and insert in lieu thereof the following: "of advice or information for farmers concerning the feeding of livestock."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

Mr. CHRISTIANSON. Has all time expired, Mr. Chairman?

The CHAIRMAN. All time has expired on this paragraph and all amendments thereto. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

Mr. PIERCE. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PIERCE: Page 4, line 24, after the word "diet", strike out "for food or."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon.

The amendment was rejected.

The Clerk read as follows:

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$800,000, including the purchase of reprints of scientific and technical articles published in periodicals and journals; the annual report of the Secretary of Agriculture, as required by the act approved January 12, 1895 (U. S. C., title 44, secs. 111, 212-220, 222, 241, 244, 257), and in pursuance of the Joint Resolution No. 13, approved March 30, 1906 (U. S. C., title 44, secs. 214, 224), and also including not to exceed \$250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at the field printing plants of the Weather Bureau and the Forest Service authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919 (U. S. C., title 44, secs. 111, 220).

Mr. TARVER. Mr. Chairman, I move to strike out the last word. I think the House will be interested to know that the bill carries an addition of approximately \$69,000 for the purpose of increasing the allotment of farm bulletins to each Member of the House and Senate from the 5,000 which are now received to 10,000 bulletins.

Mr. JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes.

Mr. JOHNSON of Texas. I am wondering if there is any provision in this bill for republishing publications we used to have with reference to the diseases of cattle and the diseases of the horse. That publication has been out of print for some time and we get a great many requests.

Mr. TARVER. There is, of course, no provision in the pending bill for the republication of those volumes. I agree with my colleague that they are extremely valuable and should be republished.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read:

The Clerk read as follows:

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations, \$4,395,000.

Mr. JOHNSON of Texas. Mr. Chairman, I desire to congratulate the Committee on Agriculture for including in this bill an appropriation of \$55,000 to expand spinning tests of cotton to be conducted by the Bureau of Agricultural Economics in cooperation with the Agricultural and Mechanical College of Texas and Clemson College in South Carolina.

Together with Dr. T. O. Walton, president of Texas Agricultural and Mechanical College, I appeared before the committee in support of this item, and am pleased that the committee has acted favorably thereon.

Clemson College of South Carolina has been receiving aid from the Government for some years in making laboratory tests with reference to the value of different types of cotton, and information derived therefrom has been of value to the farmers in that section by informing them of the particular type of cotton that should be grown upon the different soils there which will give the best results in producing a cotton that has the highest spinnable value.

Up to this time no such tests have been made in the Southwest. In Texas, practically 90 percent of the cotton grown is exported to foreign countries. The mills in these countries have laboratories that test the spinnable value of the cotton, and it has been determined that much of the cotton grown in Texas could be greatly improved if the farmers had information as to the particular kind of cotton that should be grown upon the various soils in Texas, Louisiana, and the Southwest.

A portion of this \$55,000 will go to supplement the equipment at Clemson College, but I assume that the major portion thereof will be used in Texas Agricultural and Mechanical College in establishing equipment for making tests of the spinnable value of the various fibers of cotton grown in Texas and the Southwest.

In England, Germany, and Japan, to which countries most of our cotton in the Southwest is shipped, there are laboratories in which they test the strength and value for spinning purposes of the fiber of the various types of cotton.

If the Government had a laboratory where the cotton is grown that could secure such information and it could be disseminated to the farmers, they would be able to know what particular kinds of cotton are best suited to the various soils in that region. It will enable the farmers to produce the type of cotton that will have a high spinnable value and will increase the demand therefor, and also result in better prices.

With the quantity of cotton exported decreasing, it behooves us to improve the quality of our cotton, and the Government can render no better service to the farmer than by aiding him in so doing. This small appropriation should therefore yield large dividends both to the farmers and the Government.

The Clerk read as follows:

Diseases of animals: For all necessary expenses for scientific investigations of diseases of animals, including the construction of necessary buildings at Beltsville, Md., the maintenance of the Bureau experiment station at Bethesda, Md., and the necessary expenses for investigations of tuberculin, serums, antitoxins, and analogous products, \$366,755: *Provided*, That of said sum \$74,480 may be used for researches concerning the cause, modes of spread, and methods of treatment and prevention of the disease of contagious abortion of animals.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 26, line 9, strike out "\$366,755" and insert in lieu thereof "\$381,755."

Mr. WHITTINGTON. Mr. Chairman, the purpose of this amendment is to make an additional appropriation to authorize scientific investigations and studies of a disease among horses and mules known as "swamp fever." As soon as the necessity for this matter was brought to my attention, I appeared in the closing hours before the subcommittee on the appropriation that we are considering, and I asked that Dr. John R. Mohler, Chief of the Bureau of Animal Industry, appear so as to give the benefit of his views to the subcommittee. He was unable to come, but he asked Mr. McKellar and Dr. Gochenour to appear before the committee. It is fair to say, Mr. Chairman, also, that those gentlemen were not authorized to speak for Dr. Mohler, and I think the substance of their testimony was that they were not in position to make any recommendation in the first place; or, in the next place, to advise what would be done with the \$25,000 additional which was sought in the event the appropriation was made. I think we all understand that as subordinates, they were not able to answer either of those questions in the affirmative.

This disease is rather important, and I call attention again to the fact that Dr. Mohler, Chief of the Bureau, who would have these investigations in charge, has stated that the cause of this disease is known, but that like cancer the cure is unknown. I read from his statement. He states in his article on page 570, "Diseases of the Horse", issued by the Department of Agriculture, that it was confined to Manitoba and Minnesota formerly, but that it is more or less prevalent in Kansas, Nebraska, Colorado, Wyoming, Montana, North Dakota, Virginia, Texas, and New York.

In my own State of Mississippi, especially in that part of it known as the Mississippi Delta, where approximately one-half the cotton of the State is produced, Mississippi being the second largest cotton-producing State in the Union, this disease is exceedingly dangerous. It is infectious and its is wide-spread.

Since the hearings before the subcommittee I have received a statement signed by Dr. R. H. Mohlenhoff, Dr.

Andy Crawford, Dr. S. E. Osborne, Dr. A. J. Royal, Dr. C. D. Crawford, Dr. O. M. Norton, Dr. W. L. Gates, and Dr. M. T. Thome, leading veterinarians of the Delta section of the State of Mississippi, as well as of the State of Mississippi, and I quote from the statement of those veterinarians as to the importance and prevalence and danger of this disease:

We, the undersigned licensed, practicing veterinarians (having had from 3 to 25 years of active practice in the Mississippi Delta), in meeting assembled at Stoneville, Miss., today to discuss so-called "swamp fever" in Delta mules and horses, individually and collectively made the following suggestions, requests, and observations:

Death losses from this disease have been very large and the loss of work-time much larger. It is our opinion that at least 45 percent of Delta mules and horses are infected * * *

I call attention to the fact that that area raises approximately one-sixteenth of all the cotton produced in the United States. It is a large area containing 4,000,000 acres of land, one-half of which is in cultivation.

* * * at least 45 percent of Delta mules and horses are infected at some time during the annual work season, and that the economic loss of efficiency in these animals caused by this particular disease is at least 25 percent. There has been no successful treatment for this disease, nor is its cause known. We are of the opinion that it is a contagious or infectious disease transmitted in some unknown way from animal to animal. This disease is very evidently not confined to any one locality, but is national in extent.

I have given you the States where Dr. Mohler, Chief of the Bureau, says it obtains.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. WHITTINGTON (reading further from the said statement dated Mar. 11, 1935, signed by said veterinarians):

Our Federal Bureau of Animal Industry is scientifically investigating many contagious and infectious animal diseases of the Nation. We therefore earnestly request that this particular disease, called "swamp fever", be added to the list of infectious diseases, and that the Federal Bureau of Animal Industry add this disease to its list and scientifically investigate it.

Now, Mr. Chairman, that is no minor matter. The paragraph under consideration provides for an appropriation aggregating \$366,755. My information is that substantially all of that appropriation in the break-down is consumed for other purposes. It is fair also to state there are two items in the break-down that provide, one for \$10,000 for biological investigation, and the other \$24,000 for miscellaneous investigations, but the two witnesses who appeared from the Department before the subcommittee stated that those appropriations were utilized in making investigations covering diseases that were more wide-spread and where complaints were more general. I did not have the communication which I just read when I appeared before the subcommittee, and was unable at that time to give them the benefits of the facts stated by Mississippi veterinarians. Those men who are called upon to treat this disease, state substantially that in horses and mules it is similar to the disease of cancer in the human being. I respectfully submit that if the Congress and this committee are authorized to allocate at least \$74,000 of this money as is done in this paragraph for methods of treatment and prevention of abortions in animals, surely in a disease as wide-spread as these veterinarians say, and with a disease as infectious and as contagious and as dangerous and as fatal as they say it is, the Congress of the United States would be justified in appropriating \$25,000 to establish a laboratory and make scientific tests. The director of the Delta experiment station, the extension workers, many citizens who have suffered losses, and the State veterinarian of Mississippi urge that swamp fever be studied and prevented, and that an adequate appropriation be made to eradicate the disease.

I have the statement of Dr. Mohler, Chief of this Bureau, who was unable to appear before the subcommittee. He states it would take \$25,000 to equip and man a laboratory for stock and investigations; and that is the purpose of this

amendment. I find no fault with the gentlemen of the subcommittee because, Mr. Chairman, we were unable to go before the Budget. This matter was called to my attention in the closing hours of the hearings; but I do urge now that in view of the statement of Dr. Mohler that the disease is wide-spread, notwithstanding the statements of his subordinates that they were unable to make recommendations—and subordinates do not make recommendations, that matter is for the head of the Department, the Secretary of Agriculture—the purpose of this consideration today is to amend where amendment should be made and to correct where correction should be made, I maintain that no adequate provision having been made for the investigations, and no investigations having been made in the last 4 or 5 years, the committee is justified in agreeing to the amendment. In all events, Mr. Chairman, it does strike me that this is an important matter, that this disease is wide-spread and very fatal. For these and other reasons I urge the adoption of this amendment.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, toward the latter part of the hearings on this bill the gentleman from Mississippi appeared before the subcommittee and brought with him gentlemen from the Department as his witnesses to tell the committee about the necessity for an appropriation of this character. When his witnesses testified before the committee they testified that in their opinion a special appropriation for this purpose was not necessary. No evidence was submitted to the committee of a character satisfactory to the committee showing the need for any special appropriation to take care of the swamp-fever disease. As my colleague the gentleman from Mississippi has called to your attention, there are only two items in the break-down of this proposed appropriation which are intended for biological investigations or for general investigations of the diseases of animals, and these two items aggregate approximately \$34,000. This is the sum requested by the Department for the investigation of all diseases in animals aside from certain specific appropriations which are earmarked in the set-up and are for general use throughout the United States; and it would seem unreasonable upon the basis of the showing made in this case to allocate \$15,000 additional for the investigation of the somewhat infrequent disease of swamp fever which, according to the testimony of experts representing the Department, is prevalent to any considerable extent only in the Delta country of the Mississippi.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. THURSTON. The committee held hearings at length in regard to all these diseases and felt that it made a fairly generous allocation of funds for these purposes.

Mr. TARVER. We certainly endeavored to be fair; and when the gentleman from Mississippi brought these experts from the Department before the committee and offered them as his own witnesses, they testified that they did not need the appropriation he is asking for; and the committee did not feel it should grant it.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. WHITTINGTON. I did not bring these witnesses before the committee. I requested Dr. Mohler to appear in response to the suggestion of the gentleman from Louisiana, the chairman of the subcommittee, as I said in my preliminary statement. Dr. Mohler sent these two men, stating that he could not appear. These two men very frankly stated that they were without authority to make any recommendations.

Mr. TARVER. But the gentleman offered them.

Mr. WHITTINGTON. I made a very definite statement at the time they appeared, however, as to the circumstances under which they appeared.

Mr. TARVER. Answering the gentleman, the purpose of this committee has been to lend such aid to the livestock industry as was possible. No evidence was submitted to the committee justifying the making of this appropriation. To include it in the bill seems to us unreasonable, when the hearings, at page 1574 and following, which are accessible to the membership, failed to disclose any necessity for the appropriation, and neither the committee nor the House should accept a letter written by some veterinarians down in Mississippi as to the necessity therefor, instead of the statements of departmental authorities, and undertake to make an appropriation for this purpose of almost half the total amount appropriated for the investigation of all similar diseases throughout the United States.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman will yield, I am not asking for half of the appropriation that is made for all diseases; I want to be reasonable. I stated that this paragraph provides for an appropriation of \$366,755 for the investigation of diseases of animals. I stated also that in the break-down of the item, \$24,000 was for the investigation of miscellaneous diseases in animals and \$10,000 was for biological investigation. I gave the information that was furnished me by Dr. Mohler, who was unable to appear; and I said frankly that these subordinates stated they were not in a position to make recommendation or to state what the money would be used for. Dr. Mohler stated that it would take \$25,000 additional to equip and man a laboratory for the study of this disease in horses and mules. It strikes me that there is not sufficient money in this \$24,000 miscellaneous item and the \$10,000 biological item to make a proper investigation covering this disease.

Mr. TARVER. The gentleman does not question the fact that these items of \$24,000 and \$10,000 could be used in whole or in part for the investigation of swamp fever if the departmental authorities thought such an investigation justified.

Mr. WHITTINGTON. Yes; I agree with the gentleman that they could and should be so used, but I maintain they are insufficient.

Mr. TARVER. What reason exists for allocating \$15,000 to the investigation of this little-known disease when only \$34,000 is allocated for the investigation of all diseases of animals throughout the United States except for certain specially earmarked appropriations?

Mr. WHITTINGTON. That is a fair question and I will answer the gentleman. The Chief of the Bureau of Animal Industry says that \$24,000 is not sufficient to make an investigation to cover all diseases and at the same time make an adequate investigation covering this particular disease. I respectfully urge, Mr. Chairman, that the mere fact the subcommittee did not have the benefit of this undisputed statement of veterinarians and the statement of extension workers, the State veterinarian and directors of experiment stations is not a sufficient reason why the amendment should not be adopted. These veterinarians may come from Mississippi, but I submit that they are at least as able as the average veterinarian. With all due respect and deference to the subcommittee, if the policy of this subcommittee is adopted there will be no amendments on the floor of the House at all and the Senate would make no changes in the bill.

Mr. Chairman, I ask for the adoption of this amendment on its merit. If it is not necessary to spend the money, and if it can be taken out of the \$24,000, I am sure the Chief of the Bureau will not spend it. If you allocate for one item in this bill \$74,000, surely I am not to be condemned because I am asking an appropriation for an investigation of this wide-spread disease amounting to \$25,000. Now, that is not my figure. It is the figure of the Chief of the Bureau of Animal Industry, who says that to make a worth-while investigation this amount will be necessary. The evidence, to my mind, shows that they have made no investigations at all in the last 5 years because this miscellaneous appropriation is insufficient. The sum of \$24,000 would not be suffi-

cient to make the investigation and provide the laboratory tests necessary in connection with the investigation of this particular disease.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were—ayes 10, noes 26.

So the amendment was rejected.

Mr. RICH. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, when I entered the Congress in 1930 there sat on the Democratic side of the House a man for whom I had the greatest respect. I believe that when he had the opportunity to take the floor of the House the Membership of the House had the greatest respect and admiration for him. I refer to Lewis W. Douglas, and I want to quote from a news article from him as I received it in today's paper because of the high regard the Membership of this House held for this outstanding and sound Democratic citizen, Lewis W. Douglas.

When we changed administration in 1933, the President of the United States, Mr. Roosevelt, appointed him Director of the Budget; and I came to the conclusion at that time that if Mr. Roosevelt would appoint a man like Mr. Douglas as Director of the Budget to carry out the platform of the Democratic Party in trying to balance the Budget, it would be accomplished. I think Mr. Douglas did everything he possibly could to that end. After he tried for a year and was not able to accomplish anything because he did not get the support of the President, Mr. Roosevelt, and Congress, he resigned. Since that time he has been traveling abroad for a much-needed rest and said nothing against the administration, being a good Democrat, until yesterday. The news article, as recorded, reads as follows:

DOUGLAS FEARS A DICTATORSHIP WILL RULE UNITED STATES—SPENDING POLICIES HEADED TOWARD CURRENCY DESTRUCTION, IS VIEW

PHILADELPHIA, March 14.—Lewis W. Douglas, former Director of the Federal Budget, criticizing the "spending policies" of the present administration, today warned of a "destroyed currency" and of the possibility of a "complete change in our political organization."

"Only a dictator—whether it be a dictator of socialism or a dictator of fascism is unimportant—will be adequate to cope with the situation", he asserted in an address before a student assembly of the Wharton School of Finance and Commerce of the University of Pennsylvania.

Pointing out that experience of the past demonstrates that "at all times, in all places, under all circumstances, wherever governments have continuously expended more than they have taken in, their people eventually have been plunged into the destructive effects of a partially or wholly destroyed currency", Douglas said.

"If the emergency in the spring of 1933 was sufficient to vest in the Executive greater powers than ever before in our history have been vested in him, is there any reason to doubt that . . . the sheer weight of economic forces, quite irrespective of desire or intent, will force a complete change in our political organization?"

Referring to the necessity of a dictator in such a situation, he went on:

"Thus, there will be wiped out all of the liberties for which the Anglo-Saxon race has struggled for more than a thousand years, and thus there will be destroyed, with the 'forgotten man', the America which created the highest standard of living the world has ever known."

"I recognize that this is an extremely black and forbidding picture of events. I want to make it clear that I am not prophesying that I have some doubt of a too logical sequence—I am merely stating that if the present spending policy of the administration is continued the ultimate results may conceivably be as I have pictured them."

Efforts to "increase political control of a managed currency", Douglas said, "will but end in a greater failure than that caused by previously politically managed currency."

Mr. COCHRAN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Missouri.

Mr. COCHRAN. Does the gentleman agree with Mr. Douglas?

Mr. RICH. I do. It is only too true.

Mr. COCHRAN. Did the gentleman vote for the relief bill the other day when it was up for consideration before the House, containing the \$4,800,000,000?

Mr. RICH. No, I did not; and I am mighty glad I did not.

Mr. COCHRAN. Does the gentleman feel that this Government should take care of the people in distress, out of work, and who have no way of securing work and food?

Mr. RICH. Yes.

Mr. COCHRAN. Then he cannot agree with Mr. Douglas, because if we do not spend money, we cannot feed unfortunate citizens who can secure no work.

Mr. RICH. We ought to do everything we can to help the poor and needy, but the appropriation covering \$4,880,000,000 was bound up with a proposition to put \$4,000,000,000 of this money into the hands of the President, to do with as he pleased; to make the President a dictator, and that is the thing to which I objected. I may say to the gentleman from Missouri that if he does not wake up and if the Members of the House of Representatives do not wake up, he will find that the things Mr. Douglas states in his speech will come to pass, and that is the thing that we in free America do not want to happen.

Mr. COCHRAN. Will the gentleman state what is going to come to pass if we do not take care of the people who are out of work?

Mr. FOCHT. Has it not already come to pass? Why does the gentleman talk about the future?

Mr. COCHRAN. Do you know what is going to come to pass?

Mr. RICH. We will get a dictator in this country. I took an oath to support the Constitution, and I am opposed to a king or a dictator.

Mr. COCHRAN. When you deny food to the unemployed in this country, the gentleman better be on a yacht at sea and well away from this country. [Laughter and applause.]

Mr. RICH. I think the Democratic Party is now at sea. [Here the gavel fell.]

Mr. SANDLIN. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read as follows:

Total, Bureau of Plant Industry, \$4,958,497, of which amount not to exceed \$1,691,221 may be expended for departmental personal services in the District of Columbia and not to exceed \$15,675 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, what I have to say now may not deal directly with this paragraph; rather it would deal with the appropriation on page 78 in reference to preparing the estimates of various crops.

I hope someone in the Department of Agriculture will call the Secretary's attention to my remarks.

Last summer I happened to be out in the State of Missouri when the threshing of wheat started. The smaller farmers there had their wheat threshed first. They did not have much, but they needed money and sold their wheat as soon as it was threshed. They took it to the mill. I was amazed one morning to pick up a paper and see an estimate from the Department of Agriculture telling the people of the country that there was going to be a great shortage of wheat. This, mind you, after some farmers had sold their wheat.

For 4 days the price of wheat jumped the limit on the Chicago Exchange, and then for 4 or 5 days more the price of wheat continued to go up. The poor farmers who, for 2 weeks, had been taking their wheat to the mill, found that the wheat they had sold to the miller was 30 cents or more higher than the price which they had received. In other words, the men who raised the wheat did not get the benefit of the rise.

With the assistance of the drafting agents and the clerk of the committee, I have been trying to find some way to place a limitation upon the appropriation that would prevent the Department from estimating a crop after the farmer had taken it to market. If they are going to make

any estimates, they should make their estimates before it leaves the hands of the man who brought it out of the ground. Let that man get the benefit of the increase in price, not the miller or some broker.

I maintain it was disgraceful, shameful for the Department of Agriculture to wait until harvesttime had arrived to give out the estimates. They should have given them out 2 or 3 weeks before the harvesting period, because they certainly had sufficient information 3 or 4 weeks in advance of the date they gave out the estimates to have made some kind of statement that would have warranted the farmer who had raised the wheat in holding his wheat until the price had gone up. The Secretary of Agriculture should see this does not happen again.

I wish I could find some way to place a limitation on this appropriation, but I have been unable to do so. They tell me wheat is threshed in different parts of the country at different periods and the only way we could do anything at all would be to eliminate the work entirely, but it is too valuable, I understand, to be eliminated. Therefore I am rising now for the purpose of stating that I hope the Secretary of Agriculture will give some attention to what I have said and see to it that in the future, when these estimates are given out, they are given out before the farmer himself has disposed of his crop. [Applause.]

Mr. THOMASON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. TARVER. Mr. Chairman, if the gentleman will yield to me to submit a unanimous-consent request, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. THOMASON. Mr. Chairman, my friend from Missouri admits that his amendment is not germane to the section which has just been read, and I plead guilty to the same offense, but inasmuch as we are discussing agricultural matters, I want to read an excerpt which I took just a few minutes ago from the report made by a supervisor of the recent agricultural census down in my State and district. It is a very interesting statement and carries with it a bit of interesting history which I think has some value.

The excerpt from report of Joe B. Worsham, supervisor agricultural census, sixth district of Texas, is as follows:

OLD MISSION CHURCH AT YSLETA, EL PASO COUNTY, TEX.

In taking the Federal farm and ranch census for 1934, Enumerator Merrill Gregory Osborn listed a farm in the lower valley at Ysleta, El Paso County, Tex., which we believe to be one of the oldest continuously operated farms in the United States. The land has been owned and operated by the Catholic Church since 1682.

This farm, consisting of 7 acres, was founded in 1682 by the Franciscan Fathers, who came into the United States with Coronado. Three acres of this farm is occupied by the old mission church, which was built soon after the arrival of the Franciscan Fathers. This mission is considered by some historians to be one of the oldest in the United States. The remaining 4 acres of this property has been worked continuously by the Catholic Church, and up to within the past few years there were several pecan trees which had lived to the age of 200 years. This mission and the farming land is now under the personal supervision of Father Paul Lavain.

I thought it worth while to put this statement in the RECORD, because it is now a part of the official records of the recent agricultural census. When the records of the Department of Agriculture are checked, I think it will be found that this is the oldest continuously operated farm in the United States. It is in the rich irrigated valley of the Rio Grande 12 miles from my home city of El Paso. This land produces 2 bales of cotton per acre and an average of 5 tons of alfalfa per year. Pears and grapes are as fine as those grown anywhere. The mission church on this land is one of the oldest and most historic to be found anywhere in this country. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Bee culture: For bee culture and apiary management, \$53,000.

Mr. THOMPSON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 56, line 10, strike out the sign and figures "\$53,000" and insert in lieu thereof the following: "\$68,000, of which \$15,000 shall be used for instigating work for the propagation of disease-resisting honey bees."

Mr. THOMPSON. Mr. Chairman, I did not have an opportunity to present this proposition to the Subcommittee on Agriculture. The purpose of the amendment is to appropriate and designate the sum of \$15,000 for the development of a strain of disease-resisting honey bees.

The honey-bee industry in this country is a very large one; approximately \$100,000,000 is invested in it, and the annual turn-over in the bee business is approximately \$50,000,000.

Science has developed a method whereby disease-resisting bees can be raised, and I believe that those in the honey-bee business are entitled to this consideration from their Government.

When we appropriate approximately \$8,000,000 for the control of pests I think it is little enough to spend some \$15,000 for the development of disease-resisting strain of honey bees which means so much to the people who are dependent upon this industry. I hope the committee will see fit to accept this amendment.

Mr. SANDLIN. Mr. Chairman, I rise in opposition to the amendment.

The gentleman from Illinois says that he did not appear before the subcommittee, and there was no expert of the Department appeared before the committee to explain the necessity for this appropriation.

The bill carries \$15,400 for bee diseases, and the committee feels that this amount is not necessary.

The committee feels that a better showing should be made by having experts appear before the committee, and for other reasons we do not believe that the \$15,000 should be added to this sum.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Chinch-bug control: For the application of such methods of control of chinch bugs as, in the judgment of the Secretary of Agriculture, may be necessary, in cooperation with authorities of the States concerned, organizations, or individuals, to accomplish such purposes, printing and binding, and for other expenses, to be immediately available and to remain available until December 31, 1935, \$2,500,000: *Provided*, That this appropriation shall be available for expenditures of general administration and supervision, purchase, and transportation of materials used for the control of chinch bugs, and such other expenses as in the discretion of the Secretary of Agriculture may be deemed necessary, and that the cooperating State shall be responsible for the local distribution and utilization of such materials on privately owned lands, including full labor costs: *Provided further*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for chinch-bug control in any State until such State has provided the necessary organization for the cooperation herein indicated: *Provided further*, That procurements under this appropriation may be made by open-market purchases notwithstanding the provisions of section 3709, Revised Statutes (U. S. C., title 41, sec. 5): *Provided further*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

Mr. DIRKSEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DIRKSEN: Page 58, line 20, strike out "\$2,500,000" and insert in lieu thereof "\$3,000,000."

Mr. DIRKSEN. Mr. Chairman, considerable testimony and documentary evidence came before your committee with respect to chinch-bug infestation in the 10 or 11 major corn-producing States. I have gone over the testimony, and I point out to the committee that first of all the information that came to your committee was at the very latest about the 26th or 27th of January. Some 6 or 7 weeks have elapsed since that time, and we have had a better opportunity in the corn country to appraise the possibility of an aggravated chinch-bug condition. Secondly, I notice from the evidence offered to the committee from various plant entomologists in our country that they had made their esti-

mates for the requirements for the present crop year largely upon the infestation that took place and the number of counties infested in the crop year for 1934.

Mr. TARVER. Mr. Chairman, will the gentleman yield? Mr. DIRKSEN. Yes.

Mr. TARVER. Authorities from the Department did appear before the committee and stated it could not at this time be determined whether even two and a half million dollars would be necessary, as a great deal appears to depend upon the weather and the season. Certainly Congress will be in session for several months, and if any unusual condition should come about, requiring the expenditure of more money, it could be taken care of at the time.

Mr. DIRKSEN. Let me say, first of all, that the weather condition is such now as to aggravate the multiplication of the chinch bugs in that country, and, secondly, there is no opportunity, once the chinch-bug infestation starts, to ever come down to Washington and expect to get any aid. They bear prolifically, and in a short time they begin to fly and scatter into the fields of wheat and oats and barley and corn, and when this destroying army starts there is no stopping it. I was over some of the cornfields in the crop season of last year and saw those fields blighted everywhere, and information came before your committee that it was so bad that something drastic had to be done. I think it was pointed out by the entomologists from Wisconsin that the reason it is now a dairy State is that 40 years ago they had a chinch-bug infestation that ruined it for small grain. We are standing on the threshold of a crisis in the Corn Belt at the present time, and there will be no opportunity to come down here and get any more money with which to meet it.

Mr. TARVER rose.

Mr. DIRKSEN. Let me finish. The gentleman can have time of his own.

Mr. TARVER. I do not expect to answer the gentleman, and I simply wanted to ask whether he had asked the committee for any more than two and a half million dollars or if anybody else had.

Mr. DIRKSEN. The estimate that did go before the committee was rather tentative.

Mr. TARVER. I asked the gentleman whether or not anybody did come before the committee and state that two and a half million dollars would not be sufficient for this year?

Mr. DIRKSEN. I do not believe even Mr. Strong knows whether two and a half million would be sufficient. The entomologists in Iowa, Wisconsin, and Illinois did not know because it is one of those things you cannot present very well in advance, and certainly enough money ought to be appropriated for that purpose. You will exhaust 20 percent of all of the creosote supply in the country, and the estimated cost is based on 14 to 16 cents a gallon. If the price goes to 20 cents a gallon, you will have to have another \$500,000 with which to meet the crisis out there. We may never need an appropriation again for the chinch-bug control for 10 or 15 years, but we do need plenty in this crop year. I do not see why we should be niggardly and not add another \$500,000. I am appealing to everybody here, and even to the committee to increase this appropriation. If we do not need it, it will not be spent, but if we do need it we cannot come down to Washington and get the money in time to do any good. They exhausted the whole fund last year in 11 days.

Mr. CUMMINGS. What would be done with this money if it were appropriated?

Mr. DIRKSEN. It may be necessary to buy a lot of creosote with which to erect these barriers to control the migration of the chinch bug.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SANDLIN. Mr. Chairman, I rise in opposition to the amendment. This matter was thoroughly considered by the Department, and after a study of it they came before the committee and asked for two and a half million dollars. They had a conference, as we understand, in Iowa. This is the first intimation the committee has had that they need

another dollar more than the two and a half million dollars. I hope the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 58, lines 19 and 20, after the word "available", strike out "and to remain available until December 31, 1935."

Mr. DIRKSEN. Mr. Chairman, I offer that amendment largely to get some information from the committee. First of all, as to why the limitation of December 31, 1935, was placed upon that appropriation. The reason I am interested is this. The control of chinch bugs is at the present time a matter of experiment. They are doing some work in the winter as well as in the spring and in the summer season, and if we do have an infestation this year, and it is possible to apply some new knowledge to this matter of control, I should say that no money would be available for that purpose under the language now set out in the bill.

Mr. TARVER. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. TARVER. Will the gentleman please state to the committee how any money could be used in combating the chinch bug in the wintertime? As we understand this problem, this money is used in aiding the farmer to provide barriers by plowing furrows around their fields and putting creosote and perhaps some other materials in those furrows in order to prevent the progress of the chinch bug. It does not occur to us, nor has it been suggested by any departmental authority, that any money could be spent in the wintertime for the purpose of controlling or eradicating this pest. Just how would the gentleman use the money in the dead of winter for the eradication of the chinch bug?

Mr. DIRKSEN. Does the gentleman know anything about chinch bugs at all?

Mr. TARVER. No; I do not know anything about them except what I have heard about them before the committee.

Mr. DIRKSEN. I suspected as much, and that is the trouble.

Mr. TARVER. But I have heard testimony delivered by authorities of the Department dealing with this question, who, I am sure, were as well advised concerning it as the gentleman who is now addressing the committee, and they do not agree with the gentleman.

Mr. DIRKSEN. I will say this, that they are contemplating at this time planting as early as possible in the spring some so-called "entrapment crops", 5- or 10-acre patches, in the hope of catching the first breeding of chinch bugs, cutting the crop and burning all the forage that comes from that little field. That would be done probably in March or April, and certainly the appropriation for the next year would not be available for that purpose. Secondly, you can go through those fields and kick up tufts of grass and cornstalks that are literally alive with chinch bugs. It seems to me, in view of the fact that it is experimental and the Department knows it as well as I do and as well as some of the experts out in our country, there might be some work that can be done in the winter as well as in the spring and summer, but the appropriation as now set down in the language of the bill, will cut off any funds for that kind of experimental work.

Mr. TARVER. Will the gentleman yield further?

Mr. DIRKSEN. I yield.

Mr. TARVER. The gentleman is certainly advised that no competent authority considers it possible to eradicate the chinch-bug? The entire question involved is whether it is possible, in times of invasions in epidemic proportions, to control it or so restrict its spread as to be of most advantage to the crops that it attacks. No competent authority, as far as I am advised, insists that there is any possibility of its total eradication. Does the gentleman so insist?

Mr. DIRKSEN. No. I wish to say to the gentleman that there are no competent authorities on chinch-bugs in the Department of Agriculture or any other place.

Mr. TARVER. There are some who testified before our committee who claimed to be fairly well advised upon that subject. If the gentleman is a more competent authority than they, I regret that he did not attend and give us the benefit of his knowledge.

Mr. DIRKSEN. Oh, the gentleman ought to appreciate that every Member of this House is so busy with his own duties that he cannot always appear on matters of this kind. That is no reason why the committee should foreclose opportunity to offer what seems to be a material and meritorious amendment to the bill. So I offer the amendment, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was rejected.

The Clerk read as follows:

Bear River Migratory Bird Refuge: For administration and maintenance of the Bear River Migratory Bird Refuge established under the act approved April 23, 1928 (U. S. C., Supp. VII, title 16, secs. 690-690h), and the resolution approved February 15, 1929 (45 Stat., p. 1186), including the construction of necessary buildings and for personal services in the District of Columbia and elsewhere, \$16,559.

Mr. BIERMANN. Mr. Chairman, I move to strike out the last word.

I just want to call the attention of the committee to the matter of this Upper Mississippi Wild Life League dealt with in this paragraph. The Upper Mississippi Wild Life Refuge was established, as this section sets out, by act of Congress in 1924. The calculation was that it would include about 90,000 acres. Sportsmen contend that this is the best breeding ground for game fish, small-game animals, and fowl in the United States. By some mental lapse of some kind in the year 1930 this Congress authorized the building of a 9-foot channel in the upper Mississippi River. At that time it appropriated \$7,500,000 to begin the work. To the credit of Congress, it may be said that from that time until the hour no single dollar has been added to the original appropriation to continue that criminal folly. The upper Mississippi 9-foot channel, it is proposed, will be accomplished by a series of dams about every 30 miles. Those dams will create stagnant, stinking, slimy pools, and one of them will include this 90,000 acres of the Upper Mississippi Wild Life Refuge, all of which, except the tops of one or two small islands, will be wiped out by the upper Mississippi 9-foot channel. I do not know that this 9-foot channel can by any possibility become a question before this House at this session. The P. W. A. has allotted in the last year or so something like thirty-five or forty million dollars for the continuation of this work without let or hindrance by Congress, but it is well for the Members to devote some attention to it. At a recent hearing before the board of review of the P. W. A. it was very clearly proven, by taking the figures of the proponents of the 9-foot channel as to the amount of traffic they would develop and the saving that they alleged would result to shippers, and then taking, on the other hand, the uncontrovertible figures of the Government as to the interest on the investment and the upkeep of the upper Mississippi 9-foot channel, that the cost to the Government every year would be in excess of \$1,000,000 above the highest estimate of the saving to shippers on the upper Mississippi River.

Mr. THOMPSON. Will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. THOMPSON. Does not my colleague from Iowa believe that the installation of the locks and dams on the upper Mississippi River is just as important to the economic development of the Middle West as the canalization of the Ohio River?

Mr. BIERMANN. I am not familiar with the canalization of the Ohio River, but I know that the installation of these dams in the upper Mississippi River will not produce one 5-cents' worth of economic benefit to this "great

land-locked area", for at the present time it is well to remember that the water and rail rate on the upper Mississippi River is precisely what it will be under the 9-foot channel; and the proponents of the 9-foot channel are, in effect, contending that although shippers will not use the 6-foot channel, they will use it at the same rate if 3 more feet of water are added to it.

Mr. THOMPSON. It would make transportation easier.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. HOPE. Will the gentleman tell us where the agitation comes from for this 9-foot channel if the facts are as he has related them?

Mr. BIERMANN. It will be used by manufacturers who have both manufacturing and distributing points on the river. If they own their own barges and transport their manufactured products to their distributing point, they will benefit. The upper Mississippi Valley Committee, which reported to the P. W. A. about the last of October, made a statement in so many words that there was absolutely no economic justification for the upper Mississippi 9-foot channel.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. SNYDER. I would ask the gentleman if he takes into consideration the economic value wholly aside from the shipment of goods up and down the river? What about the added moisture to be furnished by the larger bodies of water behind the dam and its value to the adjoining acreage?

Mr. BIERMANN. In making this economic valuation I have taken the rosy figures of the proponents of the channel. If they left out the evaporation factor, it is the only factor they left out.

Mr. SNYDER. Does not the gentleman think that is an important factor in the arid Middle West today?

Mr. BIERMANN. This is not an arid region; it is the best agricultural region in the world.

[Here the gavel fell.]

Mr. CHRISTIANSON. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa may have 1 additional minute in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. CHRISTIANSON. If it is true, as the gentleman has stated, that only a few shippers are interested in the development of the upper Mississippi, how does the gentleman account for the fact that the State of Minnesota, through its legislature, is spending the money of the taxpayers of the State to maintain an organization charged with the responsibility of securing an adequate development of the upper river?

Mr. BIERMANN. I feel that the Legislature of Minnesota on this proposition, as on many others, has been badly fooled.

Mr. CHRISTIANSON. I do not believe that the gentleman should set his own individual judgment against that of 67 men in the Senate of the State of Minnesota and 131 men in the house of representatives, elected by the people of that State and responsible to those people.

Mr. BIERMANN. How would the gentleman like to set against these distinguished Minnesotans the opinion of the Mississippi Valley Committee, which is composed of scientists and experts and which made a report after extensive investigation stating that there was no economic justification for this project?

Mr. CHRISTIANSON. Before answering that question I would first want to know what the relationship was between the members of that committee and the railroads of the United States.

[Here the gavel fell.]

By unanimous consent the pro forma amendment was withdrawn.

Mr. GRAY of Pennsylvania. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this morning there was some discussion about the virtues of the A. A. A., and the peculiar thing that struck me was that the farming population in the district I represent in the State of Pennsylvania seem to be of an entirely different opinion. They have asked me that a protest be made against the operation of the A. A. A. Now, you will understand that I myself am not engaged in farming. I represent a district which contains a lot of farmers. It seems to be the almost unanimous opinion of these farmers that the operation of the A. A. A. so far as it affects the people in that district is detrimental. I have a letter from the Indiana County Potato and Seed Improvement Association. Among other things, the writer of that letter states:

Our members are strictly opposed to production-control measures, processing or sales taxes, or penalty taxes now being proposed by potato-growing States long distances from Pennsylvania.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield.

Mr. HOPE. Are these commercial potato growers or are they just farmers who grow potatoes as a side line?

Mr. GRAY of Pennsylvania. I think some of them at least are commercial potato growers. These people who enter this protest—and this is one of several which I have, are, I think, desirous of going along with the present administration.

A great many things have been said about how people in Pennsylvania were elected to Congress and why the State voted the way it did at the last general election. In my particular case—and I cannot speak for others—in a district which is comprised of a very large labor population and a very large farming population, it is my judgment that the National Industrial Recovery Act was the main reason for the district, the first time in its history, returning to Congress a member of the Democratic Party. The farming population complained during the campaign and after. Their complaints against the operation of the A. A. A. with the labor set-up and the benefits that accrued to labor under the N. R. A., and with the terrific protest of the people of the State of Pennsylvania against several generations of rule by the Republican Party in the State, account for the political victory in Pennsylvania, but I do not think that the Agricultural Adjustment Administration has been helpful to the Democratic Party or to the Roosevelt administration, although I do think that people very generally are anxious to give the administration the benefit of every doubt.

[Here the gavel fell.]

By unanimous consent the pro forma amendment was withdrawn.

The Clerk read as follows:

The appropriation of \$2,000,000 for roads on unappropriated or unreserved public lands, nontaxable Indian lands, and so forth, contained in the act entitled "An act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting a public-works program", approved July 21, 1932, is hereby continued available during the fiscal year 1936, and not to exceed \$4,760 may be used for personal services in the District of Columbia.

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: On page 69, line 21, after the word "expended", strike out the period and insert a colon, and add the following: *Provided:* That not less than 25 percent of the apportionment to any State shall be applied to the construction or reconstruction of rural roads lying outside the 7 percent Federal-aid system, which rural roads shall be such as the Secretary of Agriculture shall determine to be primarily of service to the rural population in the operation of public school bus routes, free delivery routes, and star mail routes. No part of such 25 percent is to be used for the construction of reconstruction of a highway or road which has been designated as a part of a Federal or State highway system eligible to participate in Federal aid.

Mr. BUCHANAN. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill.

Mr. JENKINS of Ohio. Will the gentleman reserve his point of order?

Mr. BUCHANAN. Yes. I reserve the point of order.

Mr. JENKINS of Ohio. Mr. Chairman, after preparing this amendment I considered its vulnerability to a point of order and decided not to offer it. I agree, therefore, with the gentleman from Texas in his point of order, but I understood him to admit in the colloquy between himself and the gentleman from Missouri [Mr. CANNON] that this would be germane and would not be subject to a point of order if introduced at the end of the paragraph. Hence I am introducing it at the end of the paragraph.

Mr. BUCHANAN. No. There is \$100,000,000 in this bill that may be used for feeder and secondary roads.

Mr. JENKINS of Ohio. The gentleman may not know it, but when we had up for consideration the Hayden-Cartwright bill last year the amendment quoted by the gentleman from Missouri [Mr. CANNON] was an amendment I offered myself to the Hayden-Cartwright bill, and which amendment was made a part of that law. This \$100,000,000—

Mr. BUCHANAN. The \$100,000,000 is expended under the terms of the Cartwright bill.

Mr. JENKINS of Ohio. This amendment which I offer now seeks to change the further distribution of the remaining money provided in the Hayden-Cartwright bill.

Mr. BUCHANAN. That is what I object to.

Mr. JENKINS of Ohio. If that is the gentleman's position, then he agrees with me; but I should like, while I have the floor, if the gentleman will reserve his point of order, to make a brief statement as to how the road-financing program stands at this time.

As all of us who have followed this road legislation for several years know, there has been much agitation and some legislation with reference to secondary and feeder roads. Last year it was clearly determined in this House, by an overwhelming vote, that the consensus of opinion in this Congress was that some basic, definite, permanent legislation ought to be enacted to provide for a permanent allotment of Federal money, so that the rural roads might be taken care of.

While I am talking on this point I may state that in collaboration with men who, I think, are well versed on road legislation I prepared and introduced a bill sometime in this session of Congress which I think provides the best way by which the desired result may be accomplished. It is my opinion that the safest and simplest plan is to amend the original Federal Highway Act of 1916. This will provide for a division of all Federal appropriations for public roads so that the rural roads will be taken care of properly. The Hayden-Cartwright law was plain, but in spite of its clarity the highway directors of various States were not able to agree on a uniform policy and a uniform program, with the result that in some States—for instance, in the great State of Ohio—the people who were expecting that improvements for their rural mail routes and school-bus routes might be reached under this program were disappointed and their road projects were never reached. This was a bitter disappointment to them, and the blame is on the Federal and State highway authorities, who have always been favorable to main highways and to expensively constructed highways.

I think those of us who are more or less considered as well sold on this proposition of a more fair division of Federal road money believe that some definite legislation should be perfected and passed for the improvement of these rural roads. We believe our relief lies in the direction, as I have said, of an amendment to the organic Federal law providing that henceforth, from all Federal-aid appropriations, at least 25 percent shall go to rural roads, to the school-bus routes, and to the rural-carrier routes, and while I agree with my distinguished friend from Texas that the proposed amendment is subject to a point of order, I am going to leave the amendment in the RECORD for the purposes of the record and will not withdraw it, although I want it understood I am not opposing the point of order.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I am glad to yield to the distinguished member of the Appropriations Committee.

Mr. THURSTON. Even though the amendments suggested by the gentleman from Missouri [Mr. CANNON] and

the gentleman from Ohio [Mr. JENKINS] were not adopted, it seems to me they have served a good purpose and will constitute a nucleus around which legislation can be drafted in the future; and while we know that our primary roads must be taken care of, yet there has been a woeful neglect in providing for the secondary or farm-to-market roads. Before our committee it was demonstrated that we could build some of these roads for two or three or four thousand dollars a mile, and a great territory could be served by an application of the funds in this way.

Mr. JENKINS of Ohio. I am pleased to have the gentleman's observation and to know that he agrees with us in our position. I may say to him that I have read the hearings before his great Committee on Appropriations and believe everyone who appeared before the committee indicated friendliness toward the proposition we have been advancing, and it is very fortunate that a majority of this Congress is so outspoken in this respect, and we should be able to enact legislation that will meet the overwhelming sentiment of the American people. There is no question but that a 25-percent division of Federal money should be made for rural roads, and there is no question but that a large majority of Congress is in favor of such a division. I expect to continue the fight I have been making for years until I see this accomplished and see rural roads placed on the same plane with main roads.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. MOTT. In view of what the gentleman has said, I am sure he will be pleased to know that in the new Cartwright bill, reported out today, there will be \$300,000,000 directly for the purpose the gentleman mentions, and it will be mandatory.

Mr. JENKINS of Ohio. I thank the gentleman. I knew about this bill; I hope we can pass it. I am sorry my time is up.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN (Mr. WARREN). The point of order is sustained.

The Clerk read as follows:

WOOL-MARKETING STUDIES

Not to exceed \$27,652 of the funds collected from persons, firms, or corporations which handled any part of the wool clip of 1918, which the Secretary of Agriculture finds it impracticable to distribute among woolgrowers, shall be deposited in the Treasury to the credit of a special fund which is hereby appropriated for the fiscal year 1936 for the purpose of carrying into effect the provisions of the act entitled "An act to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards, and for other purposes", approved May 17, 1928 (U. S. C., Supp. VII, title 7, secs. 415b-415d), including personal services and other necessary expenses in the District of Columbia and elsewhere.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I ask unanimous consent that I may use 5 minutes out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, during my service in Congress, on many occasions, I have stood up in front of the Washington newspapers and thwarted their plans and stopped them from getting big, undeserved hand-outs from the people's Treasury.

At one time these newspapers, through vicious attacks periodically made on any Members who opposed them, and through continual front-page propaganda, had influenced Congress to pay one-half of all the annual fiscal expenses of the people of Washington out of the United States Treasury, resulting at one time in the Washington people having to pay only 90 cents on the \$100 as their total tax on real and personal property in the District of Columbia.

For years I was one of those here leading the fight to require the Washington people to pay a reasonable part of their own expenses, and such fights finally culminated in reducing the amount the Federal Government paid on such fiscal expenses to \$9,000,000 annually.

Since then my colleague, the distinguished gentleman from Missouri [Mr. CANNON], than whom there is no Member of this House abler or more valuable to the people, has been chairman of the subcommittee of the Committee on Appropriations, handling the District appropriation bill, and I have deemed it a great honor to serve under him on that committee. We have convinced the committee, and the House, and the Senate that it is unjust and inequitable to the people living in the 48 States, who have to pay their own taxes, to require them also to pay such a large proportion of the taxes of Washington people, and for 2 years now we have gotten the Congress to reduce such annual Federal contribution from \$9,000,000 to \$5,700,000 and thereby saved for the taxpayers of the United States the sum of \$3,300,000 annually on this one item alone, yet the tax rate here now is only \$1.50 on the \$100.

The price I am now having to pay for thus doing my duty is to be a target for the spleen and malicious ill will of the Washington newspapers. They continually misquote me. They continually misrepresent me. They continually try to play me up in a false light. They continually snarl at me. They are continually snapping at me. Hardly an issue appears that does not contain some kind of an attack on me. They have their many special feature writers shoot at me with their popguns. They try to play me up to disadvantage on their front pages in big box-car letter headlines upon matters most trivial and unimportant.

Their belief is that they can thus break me down. But they cannot. Their belief is, that I will deem such fights against them not worth while, but they are entirely mistaken. They believe that eventually I will get out from in front of them and let them have their own way. But I will not. They may just as well realize now, as they will later, that they are accomplishing nothing. They cannot injure me with my colleagues, for there are enough older Members here thoroughly familiar with my work throughout the years to keep the new Members well informed. They cannot injure me with the people of Washington, because enough of them read the daily RECORD to let others know that these newspapers' attacks are nothing but malicious persecutions.

When the matter of appointing an assistant superintendent of the Metropolitan Police Department came up in the spring of last year, I was interested in seeing a proper man was appointed, one who had ability, who had good judgment, who was honest and reliable, who was fearless, and one who would be faithful in performing his duties. I knew that Inspector Albert J. Headley was just such a man and possessed all of these good qualities, and I endorsed him for the position.

Inspector Headley has served in the Metropolitan Police Department for 39 years, winning promotion after promotion, first a private, then a sergeant, then a lieutenant, then a captain, and finally he reached the high position of inspector of police.

During the 2 years I served on the special Gibson investigating committee, of which Hon. ERNEST W. GIBSON, who is now a United States Senator, was its able chairman, and I was the ranking Democratic Member, Captain Headley then rendered us valuable service in helping us to clean up many rotten conditions scattered here and there throughout the District of Columbia. His assistance was invaluable. We found him absolutely reliable and dependable.

Inspector Albert J. Headley's friends here are legion and number some of the leading business men of Washington. They were prepared to go the limit for him in requesting his appointment.

It developed that Inspector T. R. Bean also was an applicant for this appointment as assistant superintendent.

Some of Bean's friends, including Maj. Ernest W. Brown, represented that Inspector Bean was in bad health and wanted to retire and leave Washington before cold weather, and that if he could get this appointment it would enable him to retire on the larger retired pay of an assistant superintendent, and this financial help would mean a godsend to him, and they proposed that if Inspector Headley would

withdraw, and he and his friends would unite in assisting Bean to get the appointment, Bean would soon retire, at least by the last of 1934, and then Inspector Headley would be in line for the appointment by reason of his seniority. When we submitted the proposal to Inspector Headley he, without hesitation, magnanimously and generously said, "Certainly, I will help my old pal, we have served together as policemen for years, and I realize it will be a great benefit to him, and I am perfectly willing to wait, and to step aside, and help Bean get the appointment."

So, on behalf of Inspector Headley's friends, I made a gentleman's agreement with the friends of Inspector Bean, including Maj. Ernest W. Brown, Superintendent of Police, that Inspector Headley would step aside, withdraw his application, and all of us would help Bean get the appointment so that he could retire on higher pay, and then Inspector Bean would retire before cold weather came last year, at least by the last of 1934, following which Inspector Headley could be appointed, he being in line through seniority.

Inspector Headley did step aside, did withdraw his application, and he and his friends did go down the line for Inspector Bean, and helped him to get the appointment.

I had confidence in Major Brown and the other friends of Inspector Bean, and while I did not confer with Bean himself, I felt sure he would abide by the agreement his friends had made for him, which resulted in his getting the appointment.

From my home in Texas I wrote Major Brown to learn just when Inspector Bean was arranging to retire, so that I could keep faith with the friends of Inspector Headley, in looking after his interests, and I received from Major Brown the following letter:

METROPOLITAN POLICE DEPARTMENT,
Washington, D. C., August 25, 1934.

HON. THOMAS L. BLANTON,
Abilene, Tex.

MY DEAR CONGRESSMAN BLANTON: I am in receipt of your letter of the 15th instant, and before replying I have endeavored to obtain, if possible, definite information as to the approximate time of retirement of one of our assistant superintendents, and the best information at this time is that he contemplates asking for retirement in the next few months, possibly around January 1.

It was my understanding when we discussed this matter in your office that he contemplated retiring before cold weather.

I have already taken this matter up with Commissioner Hazen and advised him of our agreement in this matter, and as soon as we have the vacancy everything is arranged for the promotion of Inspector Headley to the position, and I want you to know that the agreement between us will be carried out, as I am most anxious to do something for Inspector Headley, especially in view of our many years of association together in the department, and I most certainly appreciate your interest in this, a matter of mutual interest to both of us.

Reciprocating your kind personal regards, I am, as ever,
Your friend,

ERNEST W. BROWN,
Major and Superintendent.

After receiving the above letter I gave the matter no further thought, until after this session met last January I learned from Major Brown that Inspector Bean was trying to crawlfish and indicated that he was going to refuse to abide by the gentleman's agreement his friends had made for him, which secured for him the appointment. I was surprised that Bean would thus double cross his friend Headley, who had treated Bean most magnanimously and generously, and I told Major Brown that I should like to see Bean sometime and tell him all Headley had done for him.

About a week or 10 days thereafter Inspector Bean came to my office. I had not seen him before for a year and I had not communicated with him. He came voluntarily on his own volition.

He mentioned the "gentleman's agreement" I had had with Major Brown and his other friends and denied that he was bound by it, as I had not had the agreement with him, and he said, "What if I do not retire." I told him that I would do everything I could—which, of course, meant everything that was right, proper, and honorable—to prevent his doing this great injustice to Inspector Headley; and he knew I meant to place all of the facts before the Commissioners of the District, who are honorable men of high character, and who do not believe in any double crossing. I appealed to

Bean's sense of honor, and said, "Inspector, man to man, do you believe you are treating Headley fairly and justly, after all he and his friends did for you?"

That seemed to touch him, for he said he had had to pay a debt for a brother, and needed to get his salary until April, and just let the matter rest until then and he would likely retire on April 1. I did let the matter rest and did not mention it to any person.

To my surprise, the papers yesterday evening and today were filled with a lot of rot, absurd and ridiculous, regarding a statement Bean made yesterday before the District Committee that I was in "a plot to force him out of office."

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed so that I may finish my remarks and show Bean's absurd statement appearing in these newspapers.

The CHAIRMAN. Is there objection?

Mr. TARVER. Mr. Chairman, I reserve the right to object. I shall not object to this particular request, but I shall to any similar requests. We are trying to get through with this bill and we hope to bring in a bill of interest to the cotton industry in the gentleman's district and mine. It seems to me the affairs of the Washington Police Department have nothing to do with that.

Mr. THURSTON. Mr. Chairman, I reserve the right to object for the purpose of asking whether it is the intention to bring in the cotton bill this afternoon?

Mr. BUCHANAN. Not this afternoon, as I understand it.

Mr. TARVER. I think it is the purpose to bring in the cotton bill either this afternoon or tomorrow morning.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, I am grateful to my friends for their patience and courtesy, for I do want to show just how far these angry, malicious newspapers will go in inciting a few irresponsibles to attack me wholly without rime or reason, and then play up such trivial matters of trying to help a deserving man get a job in large box-car headlines in their front pages.

The Washington Times, the Washington Star, the Washington News, the Washington Post, and the Washington Herald, in concerted action, like a pack of hungry wolves, all vied with each other in trying to make their headlines largest and their reference to my name scariest. One was "Police Charge Plot to Blanton", as if I had done something wrong. Another had across its front page, "Representative BLANTON Faces Accuser", as if I had been accused of something awful, when all of this absurd and ridiculous notoriety about nothing was being specially framed by these malicious newspapers.

From the Washington Post I quote the following:

An ultimatum that Inspector Thaddeus R. Bean, assistant superintendent of police, must be retired to make room for promotion of Inspector Albert J. Headley has been served by Representative THOMAS L. BLANTON, of Texas, the House District Crime Committee was told yesterday.

Retirement of Inspector Bean was promised Representative BLANTON by Maj. Ernest W. Brown, Superintendent of Police, who also promised Inspector Headley, a friend of BLANTON for years, would be promoted, the committee was told.

"We have a way of doing things up here", Representative BLANTON said when Inspector Bean wouldn't agree to retire, the committee was informed.

The story was unfolded by Inspector Bean, who had been summoned before the committee and testified under oath. He had been called, the inspector was told, because information reaching the committee indicated gossip about the deal was demoralizing the force.

During examination of Inspector Bean Representative WILLIAM T. SCHULTE, of Indiana, developed that Representative BLANTON is a member of the powerful House District Appropriations Subcommittee, which controls the purses of all District governmental agencies.

As a matter of fact, it was not the House District Committee, as misrepresented by the Post, but a subcommittee with only two members present, Mr. SCHULTE and Mr. REED. Mr. SCHULTE began his service with the last Congress, and

Mr. REED last January began his service with this Congress. The Post attempts to tell what happened at this executive session with all newspaper reporters and their cameras present:

"Do you know of any petty jealousies among the higher ranking officers of the police department, say, above the rank of captain", Representative SCHULTE asked.

Inspector Bean said, "No."

"Then why", snapped Mr. SCHULTE, "are they trying to get you?"

"I heard last September", Inspector Bean replied, "that Mr. BLANTON, of Texas, had written a letter to Major Brown asking him to retire me and replace me with Inspector Headley."

"Why?" asked Mr. SCHULTE. "Had you had any trouble with Mr. BLANTON?"

"No, sir."

"Then, why?"

"Well, Mr. BLANTON and Inspector Headley have been good friends for a number of years", Inspector Bean replied. "Several years ago Inspector Headley was reduced to a captain and had to come to Congress to get back."

"Mr. BLANTON did that for him?"

"Yes, sir."

Not one word did Bean say about who helped him get appointed. He tried to hit his friend Headley under the belt by mentioning that Headley had been reduced to a captain without telling the facts.

Inspector Headley had forced a member of former Commissioner Frederick A. Fenning's family to obey the traffic laws, and, without a hearing, Fenning demoted Headley to a captain, and after I had impeached Commissioner Fenning for robbing several hundred shell-shocked soldiers out of several hundred dollars and forced him to resign and make restitution I introduced a bill, which Congress passed, restoring Inspector Headley to his rank and allowing his pay Fenning tried to rob him of.

Let me quote from the Post further:

A few weeks ago, Bean said, Major Brown had said to him:

"Why don't you go to see Mr. BLANTON? He'd like to see you."

"I replied, 'I don't want to see him. I've no business with him.' The major said, 'I was up there yesterday, and he treated me all right.' I said, 'I've got something else to bother me today, but I'll go.'"

Major Brown had him driven to the House Office Building in the Superintendent's automobile, Inspector Bean said, and continued: "I went in and saw Mr. BLANTON. He sat me on a sofa. Back of the sofa and behind me was a stenographer. He went on to say about his being a high Mason. I said, 'Mr. BLANTON, that doesn't concern me one way or another. I don't care what a man is.' He said it did mean something down where he came from, and he just wanted to show me that that didn't enter into it."

Not once did Bean make a true statement. The sofa upon which he sat was flush against the wall and there was only the wall behind him. My secretary was at her desk attending to her letter writing. The only time the word "Mason" was mentioned was in connection with some protests which had been made to me because Inspector Bean is a Catholic, and I assured him that, while I am a Knight Templar Mason, I have no religious prejudice, and had no prejudice whatever against him.

I quote further from the Post:

"Now," interrupted Representative SCHULTE, "if this is true in your case, are there any other cases? Anyone else they are trying to get out of the picture?"

"Not that I know of."

"Don't you think their conniving to get you out is lowering the morale of the police department?"

"I only know about myself. I know how I feel."

"It means there are others," Mr. SCHULTE said. "No one knows when the cap will be set off under them."

"Isn't your case, inspector, a matter of common gossip in the department?"

"I think perhaps it is. Everywhere I went I heard talk I was to get out October 1, November 1, or some other date."

"Isn't it true", asked Representative SCHULTE, "that Mr. BLANTON is a member of the District Appropriations Subcommittee?"

"I understand that he is; yes, sir."

"Have you ever heard of similar tactics employed against any other members of the department either by a Member of Congress or anyone else?" asked Representative REED.

"No, sir", replied Inspector Bean. "Not that I know of."

"There was one other thing. As I was going out the door of his office Mr. BLANTON asked me if I would answer one question. I said 'sure.' Mr. BLANTON said he had heard that I would like to have my promotion to assistant superintendent so I would get the benefit of the pension when I went out of the department. 'Yes, sir; I did say that', I told him, 'and I would say that to anyone.'"

I contend that it is very evident from the foregoing that the front-page box-car headlines in all these Washington newspapers is just another attempt on their part to hit me under the belt because I will not obey their orders.

I have the right to do everything in my power to help get first-class officials in office in Washington. I have done it in the past and I am going to do it in the future. I have endorsed many persons for jobs. Some have been successful, others have not.

To show that it is this same old Washington fight, I quote the following from today's Washington Times:

Representative SCHULTE previously asked Representative BLANTON if he did not believe that the people of the District be permitted to control their own affairs by voting, to which Representative BLANTON responded:

"All this talk that you hear about voting is merely propaganda. Every newspaper in Washington would be against it if you put it up to them."

INTERFERENCE PROTESTED

Meanwhile Arthur Clarendon Smith, president of the Civic Clubs Association of the District, declared today the residents of Washington were entitled to complete information on Inspector Bean's charge that Representative BLANTON sought to have him retired.

Mr. Smith said, "Interference on the part of Congressmen in local affairs is bound to prove detrimental to the morale of the department."

Certainly, all Washington people dislike for Representatives of the people in Congress to run the affairs of Washington, but we are going to do it whether they like it or not. The Constitution and laws of the United States make Washington the seat of this Government, and require Congress to make its laws and run things here. And if Washington people do not like it, let them move. Most of the Washington people have gotten rich off of the people in the 48 States. These newspapers may just as well understand now, as later, that they cannot run Congress.

I do not know how long these newspapers are going to continue this persecution of me. If they knew it does not hurt me but helps me, they would stop it. They cannot injure me in my district with these attacks. I have represented the people of my district too many years. They know what I stand for, and the kind of service I render. I was their circuit judge on the bench in 5 of their counties for 8 years. They know that in every county in my circuit I enforced the law against everybody alike. They know what kind of work I do in Congress, as do my colleagues. Every time they attack me, these malicious newspapers make votes for me. They are making a futile fight against me. This latest frame-up is the most ridiculous one ever made. [Applause.]

Mr. BEAM. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed out of order for 2 minutes.

Mr. TARVER. Is this to be a reply to the speech just made?

Mr. BEAM. It is somewhat in conformity; it is along the same line. I shall not consume more than a minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BEAM. Mr. Chairman, I rise simply to call to the attention of the House that in the edition of the Washington Evening Star of Thursday, March 14, I am quoted as saying the following:

"If this be treason, make the most of it", retorted Representative BEAM, of Illinois.

Those remarks were made by the gentleman from Kansas [Mr. CARPENTER]. I made no such statement. I have no sympathy with this movement. I am a Democrat and believe in the Democratic doctrines, and I stand 100 percent behind the President of the United States. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

To enable the Secretary of Agriculture to make investigation not otherwise provided for of the causes of soil erosion and the possibility of increasing the absorption of rainfall by the soil in the United States, and to devise means to be employed in the preservation of soil, the prevention or control of destructive erosion, and the conservation of rainfall by terracing or other means, independently or in cooperation with other branches of the Govern-

ment, State agencies, counties, farm organizations, associations of business men, or individuals, including necessary expenses, \$281,362, of which amount not to exceed \$22,032 may be expended for personal services in the District of Columbia, and \$875 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Mr. GILCHRIST. Mr. Chairman, I move to strike out the last word for the purpose of directing an inquiry to those in charge of the bill. The question of soil erosion has come to my attention because of an inquiry made by a constituent who wanted to know what might be done to remedy the gullying of certain lands out there in my district, the gullies being at the outlet of certain drainage districts. The work is not very extensive, but still it covers a great many different places in northwestern Iowa, and no one project is of any great consequence. Taken together they amount to something. So, in my innocence, I wrote to the Director of Soil Erosion. I looked through the directory and the manual and the blue book and the red book and thought I had hit upon the right bureau or commission or committee or service when I wrote to the Director about this matter, but when I got the reply from him I found that the Director was not in a position to help in that work. He said, in part, as follows:

Our operations are restricted to definite watershed areas, where we are installing erosion-control measures over the agricultural land. We are hoping that the limitations of our work will be broadened, but I can give you no assurance in that matter. It occurs to me that you might be able to procure F. E. R. A. labor, etc. * * *

Now, it seems to me if we are going to have any soil-erosion work in the Department of the Interior, then the Director of Soil Erosion Service in that Department ought to have something to say about it. I am not objecting to the appropriation, but I would like to inquire where are we going to get this work done if we get it done at all?

Mr. BUCHANAN. I will state that the character of work which the gentleman is talking about is done under the Department of Agriculture and under this appropriation. The gentleman wrote his letter to the Department of the Interior, which is operating under allotment from the Public Works. Under the rules and regulations adopted in that Department they deal with the entire watershed, to stop erosion of entire watersheds. They do not deal with gullies and small tracts of land; but the Department of Agriculture actually does deal with them; and, as I understand it, they have a soil-erosion station established by act of Congress, coming out of our Committee on Appropriations, in southern Iowa. If the gentleman will take it up with the Department which has jurisdiction and take it up with that station, I think he will receive the necessary assistance.

Mr. GILCHRIST. I thank the chairman of the committee. I am glad to have the suggestion. Of course, Mr. Chairman, I withdraw the pro forma amendment.

Mr. FOCHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would not invade, but I see there is ample time to pass the bill before the session closes, and I would like at this juncture to make a few remarks in confirmation of what was said by the gentleman from Pennsylvania [Mr. GRAY], a Democratic Member of the House, whose district is contiguous to mine. I do not recall what his majority was, but I had an unusual majority. It may seem singular that there should be such a convergence of thought in a State that rarely, if ever, gave a Democratic Member west of my district. The fact of the matter is that when I came to Congress in 1907 there were 36 Republican Members from Pennsylvania. We now have 11. I think Mr. GRAY accounted for the twenty-some additional Members in the correct way. I can see the gentleman's district now, that great section around Johnstown, and then the valleys with their agricultural wealth. I can vision my own district with that great section around Lewistown, where the Logan Iron Works, Standard Steel Works, Burnham Iron Works, and Visco, and other iron industries employing ten or fifteen thousand men when they operated, but they are not operating now, except in part; with the rayon works, which is

being hard driven by Japanese competition. At one time this great plant employed 7,000 men, and then the intervening valleys of rich agricultural land.

Now we come to exactly what Mr. GRAY said. Republicans voted for a Democrat and many Democrats voted for me. It was because a man in whom they had confidence gave a promise to the people, and they believed he would do something to restore prosperity. Then when we came here we heard his message before Congress, in which he reiterated that statement, that if he could not bring back prosperity, if any of the experiments which he was going to try should fail, then he would turn back to the same old principles upon which prosperity had previously been founded. Now, Mr. GRAY comes like a real statesman, with the same faith and confidence the people had in him, and he says to you gentlemen that those promises that were made, which induced Republicans to vote for him for Congress, have failed utterly; that the farmers are unhappy and are not prosperous; that the President has failed to do the one thing necessary to make the farmer prosperous, and others as well, and that is to put men to work to consume what the farmers produce, which cannot be done without earning power sustained by regular productive employment. I repeat what I said on the floor of this House before, and that is that there is no overproduction. They must go to the other side of it and put men to work—real, honest work. I do not mean to hand them out relief. That is not the way Americans were trained. They were trained to have happy homes, send their children to school, and live in quite a different way than people live in Japan. They talk about this strange, weird thing named reciprocity in the absence of some more appropriate designation. But it is not the old reciprocity of James G. Blaine at all, because the reciprocity we had at that time Congress decided upon, without a will-o'-the-wisp of 50-percent flexibility. Now you have one man, presumably a dictator, to determine it.

[Here the gavel fell.]

Mr. FERGUSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

I have appeared several times on this floor to speak on the subject of soil erosion. I want to call the attention of the House to the fact that we have several departments of Government that are undertaking experiments and are disseminating literature and information on this subject. The Soil Erosion Bureau under the Department of the Interior is the department that has done the greatest amount of work and the most thorough work. I realize the work done by the Department of Agriculture. In starting this fine program we should use their findings, but continue this work under the Soil Erosion Service, as they are now equipped to take the necessary steps in carrying this work out. This appropriation bill has been limited to public lands and the control of forestation where the land has been burned over in trying to reestablish growth to cut down the rate of run-off, but I do think it is time that we had one department of Government which understands this subject to put out information about it. If any of you have lived in districts where terraces have been constructed by people who do not know anything about them, by men who do not have the proper information, you have seen the effect of that kind of work.

I have seen farms where these terraces were constructed as high as an 8-percent slope that merely made gullies across the field and cut out great places on the edge of the road. As a result of information gathered supposedly by some department of the Government that knew what it was doing, they finally cut the grade to 6 percent, then to 4 percent, then to 2 percent; and now they have come to the conclusion that a level terrace, that is, just a terrace closed at each end thrown up on the contour of the land, not only conserves more of the water but keeps it from flowing off at such a rapid rate. They have a great deal of information at hand and have gone ahead with their effort to prevent soil erosion. They have acquired a good deal of information with respect to what crops to plant and how to plant them to prevent soil erosion by wind.

Again I wish to call the attention of the House to the proposition that, instead of having several bureaus and establishments handling this subject, we should have one single Bureau of Soil Conservation, a permanent single body to carry on this work and disseminate this information. Until we bring this about we shall have failed in an opportunity to be of the greatest possible service to this country.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

BELTSVILLE RESEARCH CENTER

For general administrative purposes, including maintenance, operation, repairs, and other expenses, \$75,000; and, in addition thereto, this appropriation may be augmented, by transfer of funds or by reimbursement, from applicable appropriations, to cover the cost, including handling and other related charges, of services, and supplies and materials furnished, stores of which may be maintained at the Center, and the applicable appropriations may also be charged their proportionate share of the necessary general expenses of the Center not covered by this appropriation: *Provided*, That not to exceed \$1,000 may be expended from this appropriation for the purchase of 1 passenger-carrying automobile and 2 motorcycles for official purposes.

Mr. THURSTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, yesterday in my remarks I called attention to a movement which has been inaugurated by the Department of Agriculture to create a gigantic experimentation at Beltsville, near Washington. I believe it is generally conceded that the experiment stations which have been maintained in our respective States for many years have a personnel that is better acquainted with local conditions and which can more adequately and thoroughly analyze any proposition that may be important to any given product rather than to have these experiments brought down to a station which is not located in a major farm section; and I want to warn you that if the present policy in this respect is not changed, work and experimentation will be taken away from and facilities will be diminished in your experiment stations. It is my judgment that before any additional support is accorded to this station a survey should be made to ascertain whether this work could not be more effectively and advantageously handled in our respective States.

Throughout the askings made by the several bureaus of the Department of Agriculture appear items for new construction, or support of activities already existing, for the experiment station at Beltsville, Md. I am not informed as to the amount which has been expended at this station recently, or the sums that will be required annually to permit functions commensurate with the investment, but it is apparent that an excessive drive is being made to greatly increase the functions of this superexperiment station.

However, it is patent that this station is to be the nucleus of a tremendous increase in experimentation in a section of the country that does not have the fertility to produce normal varieties of vegetable life, not to mention sustaining forage for dairy or animal investigations. It is not my purpose to make a blanket condemnation of this station, but I wish to emphatically assert that State experiment stations now are rendering excellent service, and through training, local soil and weather conditions, are unquestionably better fitted to continue work in specific lines than the experiment station located at Beltsville, which cannot have normal soil conditions, but where commercial fertility must be supplied.

Livestock and dairy investigations can best be made in the section of the country where these great activities have been developed. Likewise, cotton or corn, tobacco or wheat, and other major crops can best be promoted where soil and climatic conditions have centered the production of these crops.

An attempt to remove or replace major experiments from the field where a given product is centered is contrary to a sound agricultural policy. Such illogical and impractical moves should be stopped.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

This title may be cited as the "Department of Agriculture Appropriation Act, 1936."

Mr. DIMOND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIMOND: Page 89, line, 14, after the word "appropriated", strike out the remainder of the line; and on the same page, line 15, strike out the sum "\$350,000" and insert in lieu "\$250,000."

Mr. DIMOND. Mr. Chairman, the amendment I have suggested will not increase at all the appropriation carried by the bill; it will simply make available appropriations heretofore made, but not yet expended. For example, the Deficiency Appropriation Act of June 19, 1934, carried an item of appropriations for \$10,000,000 for forest highways in the United States and Alaska. Under the law applicable to the distribution of such funds the share allotted for expenditure in Alaska was \$671,067. All of the appropriation was made for the fiscal year 1935, but, under the terms of the act, remains available until expended. I am advised by one of the officials of the Bureau of Public Roads that there remains unexpended in Alaska's share of this appropriation \$284,084, in addition to approximately \$227,000 still remaining unexpended of other appropriations heretofore made by Congress for the construction and maintenance of forest roads in the Territory, and that it is estimated that on July 1, 1935, there will remain unexpended in all of funds heretofore appropriated for forest roads in Alaska the sum of \$511,067.86.

The proposed amendment will permit the expenditure of this sum as well as \$250,000 of the amount carried for such purposes by the present bill, making available for expenditure during the fiscal year 1936, if this amendment is agreed to, the sum of \$761,067.86.

Even if this full amount is expended there will still remain unexpended appropriated funds to the amount of more than \$400,000 for the forest highways of Alaska, thus giving an ample reserve for the Bureau of Public Roads in making its plans for the future.

A much larger sum than will be permitted to be expended by the bill under the amendment which I have proposed could be wisely and well expended in developing the extremely valuable forest lands of Alaska. The day is not far distant when the forests of Alaska will be utilized for pulp as well as for other purposes. Careful surveys have shown that the Alaska forests can supply 1,000,000,000 feet of pulpwood per year in perpetuity. Surely this is a valuable resource for the United States Government and for the people of the United States and will well justify the comparatively small sums that are asked for road building in this part of the Territory. Moreover, the building of these roads always leads to settlements in the forest regions, enabling people to establish homes for themselves under comfortable circumstances.

The larger appropriation desired will furthermore permit the Bureau of Public Roads to carry out a balanced and well-ordered program for road building in the national forests of Alaska. I am advised by the officials of the Bureau that of the \$350,000 carried by the bill in its present form, without the amendment I have proposed, \$295,000 have already been programmed, and thus, if the amendment does not prevail, there will really remain for new building only about \$55,000. It would be a great pity to limit new building to that sum, and the whole program of the Bureau, which has been projected to cover a period of years, would be thrown out of balance and the people of Alaska and of the United States would in some measure suffer by reason of the lack of roads.

There are a number of very worthy road projects which may be undertaken by the larger sum. I have in mind particularly as one of the projects at this time the so-called "missing link" road to connect the Moose Pass system of roads in Kenai Peninsula, Alaska, with the road which runs from Seward, the seaboard terminus of the Alaska Railroad, to the head of Kenai Lake. This system of roads will eventually be extended to lower Kenai Peninsula and thus really open up and make more readily accessible for settlement the

very large area of excellent agricultural land on Kenai Peninsula, particularly between the town of Kenai and Katchamak Bay. I fully realize that we cannot do it all at once, but I sincerely trust that this project will be put into construction as rapidly as possible and that the "missing link" may be entirely constructed within the next year. It would take too long to mention specifically other national-forest highways that I think ought to be built without delay. But I have another one particularly in mind that I think should be undertaken as soon as possible consistent with justice to the road-building requirements of other regions, and that is the road across Prince of Wales Island connecting Craig and Klawock on the west coast of the island with Twelve Mile Arm on the east coast. This would give the residents of the west coast access to the sheltered inland waters whereon is situated the city of Ketchikan.

The mentioning specifically of the two particular projects to which I have just adverted does not mean that others are not meritorious. I cannot describe them all, but the Tongass and Glacier Highways need improvement; the road near Cordova should be built; it is already set up. Work should be done at Katalla, at Mitkof, at Salmon River, at Yakutat, at Sitka, at Crow Creek, at Palmer Creek, at Petersburg, at Wrangell, at White Pass, at Texas Creek, at Kake, at Hydaburg, at Angoon, at Gartina, at Tenakee, at Point Agassiz, at Johnson Creek, at Afognak. I am happy to say that the Douglas road to connect Juneau and Douglas by way of the bridge now under construction is already programmed, and the money has been allocated. There are also a number of other projects which ought to be undertaken whenever funds are available.

This amendment has been submitted to all the members of the subcommittee and to the Chairman of the Appropriations Committee, and I understand they have recognized the justice of the request and are willing to accede to it. It has also been taken up with the officials of the Bureau of Public Roads, and I am advised that they, too, have not only assented to the terms of the proposed amendment but would like to see it adopted in order that their own plans for road building in the national forests of Alaska might be carried out in a more orderly way.

Mr. SANDLIN. Mr. Chairman, will the gentleman yield? Mr. DIMOND. I yield.

Mr. SANDLIN. I want to state merely that the amendment has been submitted to each member of the committee and is perfectly satisfactory to the committee.

Mr. THURSTON. The gentleman has explained the amendment. I think it is entirely worthy and should be adopted.

The CHAIRMAN. The question is on the amendment offered by the Delegate from Alaska.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. SANDLIN. Mr. Chairman, I move that the Committee do now rise and report the bill to the House with the recommendation that the amendment be agreed to and that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 6718, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1936, and for other purposes, directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. SANDLIN. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question recurs upon the engrossment and third reading of the bill.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is upon the passage of the bill.

The bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks.

Mr. CANNON of Missouri. To have the right also to include excerpts from the hearings.

The SPEAKER. Is there objection to the request that all Members may have 5 legislative days within which to revise and extend their remarks, to have permission also to include excerpts from the hearings?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, I want here to express my personal thanks, together with the thanks and appreciation of the entire Northwest, to the Subcommittee on Agricultural Appropriations of the Appropriations Committee, as well as the House Members, for the \$5,000 increase to the Frozen Pack Laboratory at Seattle, Wash.

My statement before the committee from page 1563 to 1569 of the hearings before said subcommittee follows:

Mr. ZIONCHECK. Mr. Chairman, the particular matter I am here to present to the committee is the question of obtaining at least a partially adequate appropriation for the Frozen Pack Laboratory at Seattle, Wash.

It is my understanding that the Bureau of Plant Industry exhibited at the hearings before this committee samples of different frozen-pack products, including fruits and vegetables, frozen at different temperatures, and demonstrated the salable quality of them and the success attained in their recent experimentation.

According to my information, the Frozen Pack Laboratory in Seattle is the largest plant or experiment station that the Bureau of Plant Industry has for that work, and the staff of that plant now is composed of a physiologist and a bacteriologist; and, in addition to those salaries, an operating expense of \$1,000, and a total appropriation for them or their functions of \$8,800 a year.

This has necessitated the laboratory's getting rent-free quarters from the port of Seattle, not only for their office facilities but for their cold-storage facilities, in order properly to freeze these fruits and vegetables and experiment with them. In their work it is necessary to have different temperatures, ranging from 25° F. above zero down to 50° F. below zero. The port of Seattle has its own refrigerating plant, and they have provided for the use of the Frozen Pack Laboratory six different rooms, kept at different temperatures, for their experimental work.

There are needed at the laboratory, in addition to the physiologist and bacteriologist, one assistant physiologist, one assistant bacteriologist, a technician, and a typist (junior grade). In the last year (or, probably, year and a half) the Washington Emergency Relief Administration (which, of course, receives funds from the Federal Emergency Relief Administration) has given them additional help, providing three assistants, a chemist, a technician, and a typist; but on December 27, 1934, the funds furnished for this purpose were completely stopped.

I have a letter here which is rather pitiful, but it is a letter full of human interest, which I do not want to put into the record, but will just give the general contents. Since that time these assistants that had been working under the F. E. R. A. funds have been coming on there and continuing to work for their car fare and what little they can get from these men on salary, i. e., physiologist and bacteriologist.

As I understand it, the work of the Frozen Pack Laboratory, or the frozen-pack processes, started some 20 years ago, down at Salem, Oreg.; but it had never embraced any wide scope of experimentation until about 1926. Up until that time nearly all the freezing was done at a very low temperature, around 50° below zero. The method consisted in packing berries, with or without sugar, in 59-gallon barrels, weighing around 400 pounds, and subjecting them to that very low temperature. That method proved very unsatisfactory. A few years ago this laboratory was set up and the work has been carried on there in conjunction with one man in Fresno, Calif., and one in Maryland. The Seattle station is the only station in the world that is exclusively devoted to this particular work.

Since that time they have experimented upon many phases of the frozen pack. The desirability of it is unquestionable. I know that, as a practical matter, coming around from the Pacific Coast to the Atlantic Coast on a ship, all the fruit they have on that ship, outside of fresh fruit, is frozen fruit. The color is almost natural. It has a better flavor and its state of preservation is superior.

The March issue of the Western Canner and Packer has an article upon that subject, setting forth very briefly the effect of freezing and this experimentation upon industry generally. They

state that the railroads, as a recognition of the great work that they are doing, have reduced the minimum load of cars carrying these products from 60,000 pounds to 46,000 pounds, because of its desirability. One western distributor—

Mr. THURSTON (interposing). Do you mean less the ice?

Mr. ZIONCHECK. No. In other words, they required a minimum load of 60,000 pounds per car; but, in recognition of the possibilities of this frozen pack work, the railroads have decreased the minimum carload to 46,000 pounds.

The frozen-pack methods afford a way in which the finest fruits, properly ripened, can be carried to the consumer in a manner most nearly approaching their fresh state. The same applies to vegetables and some of these, notably peas, string beans, lima beans, spinach, and even sweet corn, are being frozen in substantial quantities, being utilized largely in the hotel and restaurant trade, although increasing quantities are going to the delicatessens and fancy groceries. Frozen fruits are utilized by the same trade but find their largest use in connection with the preserve and jam making, confectionery, ice-cream, and packing industries.

One eastern distributor developed sales, according to his claim, in packages containing whipped cream and whipping cream, a carton of frozen strawberries, and two layers of cake for a home assembly of fresh strawberry shortcake.

Another distributor has developed a different combination package of frozen products, having found that the consumers prefer frozen-fruit sundaes to plain ice cream.

Dealers in accessories for soda fountains are now using frozen fruits with increased profit. All testify to the very great value of this frozen-pack experimentation and its great possibilities. I do not want to appeal to you on the basis that this is an experimental work just for the benefit of the West or the Northwest.

Now, for the benefit of the record, the frozen-pack process is being used at Wilmington, N. C., at Norfolk, Va., and at Hammond, La.

In the Western Canner and Packer of March 20, 1933, it is stated that in 1932, in the New Orleans section in Louisiana, approximately 5,000 barrels and 30,000 thirty-pound cans of frozen-pack strawberries were preserved.

"In the same year Maryland and the surrounding territory produced 7,000 barrels of cold-pack strawberries in 1932."—The Western Canner and Packer.

Frozen-pack process is being used for the preservation of cherries and berries at Walcott, N. Y., at Travers City, and Benton Harbor, Mich. At Columbus, Ohio, they are using the process on apples for pie bakers. In Georgia, in the towns of Monticello and Montezuma, the process is being used on peaches and other fruits. At Bridgetown, N. J., the process is being used for the preservation of lima beans and peaches. In Harlingen, Tex., peas are being frozen and experimentation is going on with grapefruit. In Minnesota peas and beans are being processed under the frozen-pack method.

I am informed that the T. V. A. officials have been in consultation with the Department of Agriculture as to this particular process and its possibilities in relation to their activities.

In the last few years great strides have been made in the fermentation industries in clarifying juices by freezing processes.

This experimental work has gone on but a few years. The whole frozen-pack method of canning and preservation is in its infancy. As the canning industry learns of the fine state of preservation, color, and taste which come so close to the fresh fruit and vegetables in their natural state, the demand upon this experimental station by the fruit and vegetable growers and canners will increase manifold and, of course, new experimentation and new processes will be in constant demand. I do not know of any experimental work that is going on at the present time that will be of greater benefit to the fruit and vegetable growers, the canning industry, and the public than the frozen-pack experiment that is now going on, but which is being seriously crippled by lack of funds.

Mr. TARVER. How much additional expenditure do you think is required for the Frozen Pack Laboratory at Seattle in order to bring it to the degree of efficiency which you think it ought to have?

Mr. ZIONCHECK. I have a tentative budget of what they consider a logical amount, which is as follows:

Proposed Budget estimate

Salaries (on the present basis):

A.....	\$4,600
B.....	3,200
Assistant physiologist.....	2,600
Assistant bacteriologist.....	2,600
Technician.....	1,800
Typist, junior grade.....	1,260
Total.....	16,060

Operating:

Rentals.....	1,600
Travel.....	1,000
Raw materials.....	1,000
Auto operation (two).....	500
Reagents and books.....	500
Apparatus.....	500
General (telephone, power, gas, etc.).....	500
Total.....	5,600

Proposed Budget estimate—Continued

Present funds (without salary restoration):

Salaries:	
A-----	4,600
B-----	3,200
Total-----	7,800
Operating (approximately)-----	1,000
Present grade total (approximately)-----	8,800

Now, as to the other positions, I am not in a position to say that they are absolutely necessary. But they certainly would have to have the help of at least a stenographer and one or two other persons working in the laboratory, and one chemist, because if this work is to be at all effective the head man will have to prepare a good many communications. They will have to make technical reports in order that the results of their technical research may be disseminated throughout the country and be of some benefit to the growers of fruits and vegetables. If you have the headman running around the district distributing information about fertilizer conditions for berries and fruits and preparing the frozen processes and going about watching the temperatures in the cold-storage plant, he will not have time to do anything else. When the Department of Agriculture cut the budget they had to cut out the telephone, they had to cut out the half-time stenographer, they had to cut out the use of their automobile; and it is just having the men there doing practically nothing except experiment and, possibly, report to the Department of Agriculture once a year. If this laboratory is to be at all effective, it is a question of co-operating with the canning industry in the whole United States.

Mr. TARVER. Was there any estimate for this additional expenditure submitted by the Department of Agriculture to the Bureau of the Budget?

Mr. ZIONCHECK. That I cannot tell you, because I have not had an opportunity to see Mr. Fisher, who is in Mr. Richey's office; but I can obtain that information and submit it to you.

Mr. THURSTON. In other words, if you could get these additional professional assistants and the stenographer that would be all you would need?

Mr. ZIONCHECK. That would be all.

Mr. THURSTON. They surely would not need any other help.

Mr. ZIONCHECK. Their activities are quite large. They are co-operating with the Washington Experiment Station, the Oregon Experiment Station, and the bacteriological and domestic science departments of the University of Washington, and a number of the people interested in this work commercially. Right now the head man, the physiologist, is down in Oregon, and he goes down to California and to the eastern part of the State, even Idaho. The experimental work to which I have referred and the cooperation of different organizations might well be illustrated by a partial list of those from the Pacific Northwest alone:

Port of Seattle; Western Washington Experiment Station; Continental Can Co.; R. D. Bodle & Co.; Fred DeSelle, Wenatchee; National Fruit Canning Co.; Hershey Foods, Inc.; Northwest Evergreen Products Co.; Hershey Packing Co.; Mono Service Co.; Washington State Cranberry Laboratory; American Can Co.; Olympia Canning Co.; Charles Morrison, Buena; Joseph Eberhardt, Olympia; W. D. Sydnor, Bellevue; M. Nakata & Co.; G. U. Turner Canning Co.; Anchor Cap & Closure Corporation; Lily Tulip Corporation.

If the industry is to be encouraged the testimony of those engaged in it to the value of the Government laboratory should be given weight. Among those who have urged its continuance are the Seattle Chamber of Commerce, the port of Seattle, the Northwest Fruit Barrelers Association, and Washington Box Apple Bureau, the Oregon-Washington Pear Bureau, the Pacific States Cold Storage Warehousemen's Association, the Washington State Horticultural Association, the Washington State Grange. It is not necessary for me to go through this and give you names and take up the time of the committee further as to the scope of the activities in which they engage.

By way of aiding in the continuation of their work I have obtained from the port commissioners of Seattle a consent to continue to give the laboratory their space rental free for the coming year.

And then, going on with this utilization of frozen pack of fruits and vegetables, there is, next, fertilizer treatments in their relation to the quality of the frozen-package fruits and vegetables.

Next, we have the frozen pack relative to the surplus crop utilization activities.

I think that is all.

In my opinion, Mr. Chairman, if about \$15,000 were allowed to this frozen-pack laboratory they go on quite well. They asked for about \$21,600.

Mr. TARVER. The appropriation for this year is \$6,078; and for 1936 the estimate is \$6,338; that is the same as last year, substantially. The amount of the increase is necessary to take care of the salary restoration.

Mr. ZIONCHECK. Well, I understand that one of the salaries restored is \$4,600, and the salary of the bacteriologist is \$3,200. That would make \$7,800 in itself, together with operating expenses approximating \$1,000.

Mr. TARVER. A detailed statement of the project and activities thereunder which has been prepared for the use of the committee shows the item of frozen pack, handling, and transportation, Northwest, Seattle, Wash., setting out the items which I have just mentioned.

Mr. ZIONCHECK. Was there a decrease in salaries?

Mr. TARVER. No; there was no decrease except the general decrease applicable to all Government employees, which is the 5-percent salary restoration, and is evidently taken care of in the estimate for additional appropriation for the fiscal year 1936, leaving the appropriation, if it is made in accordance with the estimate, substantially the same as it was for the last year.

Mr. ZIONCHECK. Well, that allows nothing for any help whatsoever. It does not allow even for a typist; and it seems absurd to me, Mr. Chairman, that they would have two men working on research left so they could not even answer correspondence, where they have got to get down to the typewriter themselves and work on it.

As I stated, the Washington Emergency Relief Administration furnished them three men and a typist up to the 27th of December last.

Mr. THURSTON. What is this Washington Emergency Relief Administration force?

Mr. ZIONCHECK. Assistant chemist, assistant bacteriologist, and one technician. He goes out and gathers the food and watches the freezing processes.

Mr. THURSTON. What do those four persons cost them per year?

Mr. ZIONCHECK. The assistant physiologist, \$2,600; the assistant bacteriologist, \$2,600; the technician, \$1,800; the typist, junior grade, \$1,260.

Now, as to those amounts, I suppose that you could get good people for less than that under present circumstances. They have rental, \$1,600, estimated, which could be done away with.

Mr. THURSTON. You could get along without that?

Mr. ZIONCHECK. Yes.

Mr. TARVER. We thank you, Mr. ZIONCHECK, and, of course, we will be glad to give careful consideration to your statements.

Mr. THURSTON. Of course, you are aware of the general disposition down here, even outside of the military service, to have more generals and colonels than there are privates. The pressure is to obtain too many high-priced officials all the way along.

Mr. ZIONCHECK. I thoroughly agree with that view.

As I said before, it seems rather absurd to have two generals and have no help to do the work and disseminate the knowledge, because this work should be made valuable to the agricultural industries, like berries and fruits, throughout the country.

Since you have brought up the question of the estimated budget for 1936 of \$6,338, I have since been informed that that amount is for frozen packing, handling, and transportation. There is another item in the break-down on the same justification sheet of \$3,475 for investigation of fruit and vegetable utilization. These two activities go on the same laboratory, which makes a total amount of approximately \$9,813. As heretofore stated, it is my belief that an additional \$6,000 would be ample during the emergency and the strict economy program which has caused a great deal of retrenchment in the various departments of the Government.

If you will allow me to make a suggestion as to where this money can be obtained, or at least a part of it, I suggest that this committee look into the appropriation for the Bureau of Chemistry and Soils. This Bureau under its Food Research Division has laboratories in Los Angeles and Weslaco, Tex., in which experimental work is done on freezing and the freezing process. I have been unable to find any legislative authority for such an activity in this particular Bureau, whereas the Bureau of Plant Industry was given a specific appropriation for this type of work and experimentation in 1932 by a legislative enactment.

Mr. TARVER. We thank you, and the committee will give careful consideration to the information you have given.

Mr. BURDICK. Mr. Speaker, the War Finance Corporation was created by an act of Congress April 5, 1918. One of the purposes of this Corporation was to loan money to agriculture through established banks. The Minneapolis office of the War Finance Corporation was set up September 14, 1921. The first directors were C. T. Jaffray, R. E. McGregor, and others; 1922 directors were Paul J. Leeman, E. I. Hanson, W. R. Murray, John A. Oace, M. O. Grangaard, and R. A. Brownell. Grangaard remained on the board for 7 years. Leeman remained on the board 7 years. Murray remained on the board 7 years. Hanson remained on the board 6 years. McGregor remained on the board 8 years. Jaffray remained on the board 2 years. Oace remained on the board 6 years. Brownell remained on as secretary 4 years. The Corporation suspended April 30, 1929.

While Leeman, Grangaard, and McGregor remained on the board, completely dominating its activity, the loans made by this Corporation reached the high spot. Six hundred and eight banks in North Dakota out of 694 made loans with the Corporation to "aid agriculture." In the fall of 1923 there was outstanding and unpaid the amount of \$25,000,000, and not a cent of this money went to "aid agriculture", as the act intended. In the hands of this Twin City bank crowd these loans were made to country banks holding farmers' paper, but which paper the First National Bank of Minneapolis, the Northwest National Bank of Minneapolis, the First National of St. Paul, were holding as collateral to

loans made by the banks to which this money was loaned. The money did not go to give the farmers any credit whatever "to keep their livestock and feed up cheap feed." It went to take up the old notes of farmers which were then, for the most part, no good. The Government got the notes and the Twin City banks collected their accounts. Without this operation, the Twin City banks would have been put out of business. In a period of 5 months ending in May 1922, these banks had paid up an indebtedness to the Federal Reserve banks of \$28,600,000 at a time when there were no crop remittances coming in.

When it became too apparent this group of bankers were "milking" the Government, and that the losses of this corporation would be amazing, this same group secured a set-up known as the "Agricultural Credit Corporation", established in February 1924. The purpose of this set-up was to "rediscount paper of the War Finance Corporation" during its existence; it worked overtime to take over the paper held by the War Finance Corporation, but it was soon taken over by the Federal Reserve Bank of Minneapolis, and today the remains of the War Finance Corporation lie in state in the office of the Treasurer of the United States. The officers in charge of the liquidation of this Corporation inform me that the losses charged off were enormous.

This subterfuge of the Agricultural Credit Corporation was, of course, manned by the same Twin City crowd.

While the Twin City bank crowd were in control of the War Finance Corporation and were selling farmers' notes to the Government to pay off the indebtedness owing the Twin City banks by small country banks in North Dakota and elsewhere, it was not intended that any cash should be sent to these small banks in order to keep them from closing. Occasionally, and occasionally only, did it happen that a draft went out to any of these banks. The two following cases illustrate what happened when some officer of the War Finance Corporation by mistake sent out a remittance direct to one of these banks.

At Flaxton, N. Dak., one Bertle Nelson was in charge of a small bank. He needed money to keep his bank open. He applied to the War Finance Corporation directly and turned in paper enough to secure an advance of \$25,000, and with that, he testified later, he would have been able to continue his bank. By mistake of the "Twin City bank gang" in control of the War Finance Corporation, a draft for \$25,000 was mailed to Nelson. When he opened the mail Monday morning, he received the draft and before he had read the letter accompanying the draft, a man stepped up to him and said, "Nelson, did you receive a draft for \$25,000 from the War Finance Corporation?" Nelson replied that he had. The man then said, "I represent the Bank of Minneapolis, and you owe us money and that draft belongs to us. If you don't turn it over to apply on the bank's indebtedness to the Minneapolis bank, I will have further credit withdrawn and your bank will close." Nelson, in his zeal to meet the bank's obligations, turned over the draft, and his high hopes to meet his deposit demands went glimmering. He tried to obtain further credit from the Twin City correspondent, but to no avail. Three days later the Flaxton Bank closed and within a few weeks, Nelson killed himself in his garage.

Another similar case occurred at Hunter, N. Dak., where a draft of \$20,000 was sent to the Farmers & Merchants Bank directly from the War Finance Corporation. This was sent, no doubt, through a mistake in the office of the War Finance Corporation. Before the letter containing the draft was opened by the cashier, the Minneapolis representative of the Twin City gang stepped up and demanded the draft. It was delivered over and after receiving it, further credit was withheld, and the bank closed a few days later.

No; it was not the intention of the "Twin City gang" in control of the War Finance Corporation to help country banks—it was their plan, and they carried that plan out—to collect their own debts against country banks in the Northwest. They saved themselves, let the country banks close, and turned over worthless paper to the United States Government. An investigation should be made into the

entire activities of this Government agency, operating under the control and management of this group.

Keep in mind the names of the men here listed as operators of the War Finance Corporation, for later their names will appear again as directors and officers of other Government finance agencies, and all names will be connected with the Northwest Bank Corporation or with the First Bank Stock Corporation, the history of which organizations can be found in my speech appearing in the CONGRESSIONAL RECORD of March 14.

Mr. SMITH of Washington. Mr. Speaker, of the many recent acts of Congress which have benefited the American people, I doubt if any has proved more beneficial than the Home Owners' Loan Corporation Act. The regrettable fact, however, has been that the funds appropriated were inadequate, and many deserving home owners have been unable to obtain relief. I therefore strongly supported the increased appropriation of \$1,750,000,000 in new capital in this session of Congress to make the loans now pending and applied for and save the homes of these citizens from mortgage foreclosure. I have taken the time to investigate many such cases in my congressional districts in southwest Washington, and it is my opinion that there are hundreds of loan applications of my constituents which should by all means be granted.

A MORE LIBERAL POLICY ADVOCATED

Mr. Speaker, I also favor a more liberal loaning policy in the future, consistent with sound business principles. Some of the cases which I personally investigated when I was home in my district last summer have convinced me that appraisals have frequently been too low. I would also like to see some of the interminable red tape eliminated, which has resulted in too long a delay in acting on applications. Too many applications have been rejected on account of technicalities raised by the Federal Home Loan Bank Board in Washington, D. C., as, for instance, where some distressed home owner has tried to derive some little income by renting part of the premises, which, it has been claimed, converted it into an apartment house or business property, thereby defeating the very humane purposes President Roosevelt and Congress had in mind to accomplish by this legislation. I am bitterly opposed to such unreasonable and unjust requirements as the furnishing of guarantors and endorsers, which is contrary to the letter and spirit of the H. O. L. C. and was never contemplated by Congress.

Mr. Speaker, let us insure that this fund is dispensed in accord with the letter and spirit of the Home Owners' Loan Act as stated in its preamble: "To provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes", and we will have performed our duty to our people and justified their faith in us.

PERMISSION TO ADDRESS THE HOUSE

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, on February 26, 1935, while the Agricultural Subcommittee of the House Committee on Appropriations had under consideration the Agricultural Department appropriation bill for 1936, which bill the House has just passed, the subcommittee accorded to my colleague, Mr. CUMMINGS, and to me the courtesy of a hearing. On behalf of the entire Colorado delegation we presented certain facts in support of our request that there be established in Colorado, under the Forest Service, a forest experiment station to serve the Rocky Mountain region. We are most grateful to the subcommittee and to the House for granting our earnest plea.

I ask unanimous consent to extend my remarks by including my statement before the subcommittee.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The statement referred to follows:

NECESSITY FOR ESTABLISHING THE ROCKY MOUNTAIN FOREST EXPERIMENT STATION

Mr. Chairman and gentlemen of the committee, I thank you for your courtesy in granting me this hearing. I wish merely to supplement what has been said by my colleague, Mr. CUMMINGS, who so ably represents the Second District of Colorado, and by Mr. Earle H. Clapp, of the Division of Research of the Forest Service, both of whom you have just heard. I earnestly request and urge the committee to include in this bill an appropriation for the establishment in Colorado of the so-called "Rocky Mountain forest experiment station" to serve not only Colorado but also Wyoming, Nebraska, South Dakota, and adjacent States. Establishment of this and 11 other forest experiment stations in the continental United States was expressly authorized by the McSweeney-McNary Act of May 22, 1928 (Public, No. 466, 70th Cong.). All of these stations have been established except that in the Rocky Mountain region.

At the outset, I want to say that, although Mr. CUMMINGS and I are the only ones who appear here at this time, our entire Colorado delegation earnestly requests the appropriation necessary to establish this Rocky Mountain forest experiment station. Your colleague on the Appropriations Committee, the distinguished and beloved dean of the Colorado delegation, Hon. EDWARD T. TAYLOR, expressly authorized me to say that he is much interested. Hon. JOHN A. MARTIN, representing the Third Colorado District, hoped to be here and asked me to say (if another meeting which he has at this hour should prevent his coming to this hearing before it is concluded) that he also is deeply interested. Our Senators, Hon. EDWARD P. COSTIGAN and Hon. ALVA B. ADAMS, are very much interested in this project.

Perhaps it might be well to explain for a moment the local conditions, which doubtless are known to you but are sometimes, I believe, overlooked by those who do not live in our part of the country.

This Rocky Mountain region, for which we seek to have this forest experiment station established in Colorado, comprises the western part of the Great Plains area and extends up to the foothills and into the high mountains of the Rockies. It ranges in altitude from 3,500 feet or less, on the plains, to over 14,000 feet in the highest peaks.

In the mountains of Colorado, of course, there is a great variety of trees. As we all know, differences in altitude are equivalent to differences in latitude, so far as vegetation is concerned. Consequently a tree which would be satisfactory and which would grow well in the foothills is not at all suitable for the high mountains. Mr. Clapp could, I am sure, entertain you with some very interesting and vital matter—showing that a tree which is suitable for use on the sunny side of a mountain hillside is not suitable for the shady side; and that the difference of one or two thousand feet in altitude makes a great difference in the character of trees which can best be grown there.

A member of the committee remarked a few moments ago that some of these trees are not worth very much as timber. I do not concede that; but, even if I were to concede that momentarily for the sake of argument, I wish to emphasize, and emphasize very strongly, the importance of timber in the Colorado mountains and foothills as a means of stream and river control. Proper timber on the hills and peaks retards the melting of the winter snows and prevents these snows from going out in a great rush on the first warm days in the spring—permits these snows to go out slowly, thus averting disastrous floods.

Let me emphasize that in Colorado are the headwaters of the North and South Platte Rivers, of the Arkansas River, of the Rio Grande and of the Colorado River. In other words, Colorado is the source of all of the great rivers named. It is generally conceded nowadays that, in order to control the flow of our great rivers, in order to provide not only for proper navigation and for irrigation, but also for flood control, it is necessary to conserve the forests, and to build them up, so that the run-off will not come in one great rush in the spring but will be distributed throughout the later spring and the summer.

Now, why is this additional station in Colorado, in the Rocky Mountain region, required? I said the "Rocky Mountain" region, simply adopting the nomenclature of the McSweeney-McNary Act, because, as you will note from this map which is being handed to you, there is a "Northern Rocky Mountain" region also. But this "Rocky Mountain" region in which Colorado is situated includes also the States of Wyoming, Nebraska, South Dakota, and adjacent States; and I emphasize again that the problems of forest management and of timber culture there are very different from the problems in the so-called "Northern Rocky Mountain" region shown on the map here. The problems are different and there has been no proper study of these problems in the "Rocky Mountain" region in which we are seeking to have this forest experiment station established.

Experiment and investigation in the other regions, so I am informed, cover not only forest management but also the use of range; that is to say, what proportion of the range shall be used for domestic cattle and what shall be reserved for deer and the other wildlife of the region.

The proper conservation of the wildlife is a very important feature, not merely as an asset in itself but also in the work of the Forest Service. For example, the officials of the Forest Service inform me that the work of the beaver is extremely valuable in stream control, through the erection of their little dams, which prevent too rapid run-off.

Anticipating a question, I should say, gentlemen, that provision for this Rocky Mountain forest experiment station is not included in the Budget. For some reason it has been overlooked all these years. Mr. CUMMINGS and I discovered the omission last year, too late even to present it to the committee.

We most earnestly urge that this Rocky Mountain forest experiment station, authorized almost 7 years ago, be established now and that it be established in Colorado.

Mr. CUMMINGS has pointed out that the Colorado State Agricultural College has offered certain facilities at Fort Collins, which might possibly reduce somewhat the expense for plant and personnel; but I am sure Mr. CUMMINGS shares the view that the rest of us hold, that he is more interested in getting it located in our region than in any specific part of our State.

Now, you may ask, Why is the Congressman from Denver, aside from his general interest in Colorado and in the Rocky Mountain region, especially interested in the establishment of this experiment station?

Water supply is the supreme necessity of our cities out there. We have in Denver, with its immediately contiguous suburbs, a city of 330,000 people, more than three-fifths as many people as in the city of Washington. Denver is by far the largest city between the Missouri River and the Pacific coast. Our water supply is of supreme importance. In the Denver watershed, in the foothills and mountains to the west of our city, there have been in recent years a great many bad forest fires. In 1933 and again in 1934 we had disastrous floods in two of our adjacent streams. The Forest Service has been doing excellent work in replanting the part of the forest area in the Denver watershed which was burned over. But this has been a slow process. In my frequent conferences with the extremely able regional forester, Col. Allen S. Peck, he has told me of some of the problems and of the handicaps which have resulted from not having available the results of such investigations and experiments as would be carried on in a station of this character.

I conclude with an outline statement of the precise work which would be done at such forest experiment station.

Three lines of work which are most important and which should receive greatest emphasis in organizing a new station are: first, forest management; second, range investigations; and third, erosion-stream-flow investigation.

Forest management: Investigative work in forest management is designed to supply the technical basis for the establishment and growing of timber crops and their protection against fire. The territory proposed for the Rocky Mountain station includes approximately 20,000,000 acres of forest land, of which about 9,000,000 are in Colorado, 6,000,000 in Wyoming, and 2,000,000 in South Dakota. A very large percentage of the total area is included in the national forests. The work proposed would serve as a technical basis for all reforestation and timber cutting on the national forests, for all timber-stand improvements conducted by the C. C. C. camps or otherwise, and would also serve as a basis for improved methods of protecting the forest against fire.

About \$25,000 would be required to initiate such work on a satisfactory basis.

Range investigations: Investigative work of this character should cover the problems of both the forest and the adjoining ranges. The magnitude of this problem is indicated in part by the fact that the region includes some 125,000,000 acres of range land, which furnish range feed at some time during the year to approximately 13,000,000 head of cattle and sheep valued at over \$100,000,000. The whole problem of range management has been greatly intensified by the recent drought.

An appropriation of \$25,000 would be required to initiate range investigations on a satisfactory basis.

Erosion-stream-flow investigations: In the mountains of the Rocky Mountain region are the headwaters of the five great rivers already mentioned, including the Colorado River and its tributaries. Anything which can be done in the control of erosion which will prevent the silting of the Boulder Dam on the Colorado River and anything which can be done toward the creation of more favorable conditions for the control of water flow for irrigation will be of the greatest importance in the public interest. The purpose of this research is to work out a technical basis for the control of both erosion and water flow.

The region also contains the headwaters of many important tributaries to the Mississippi. During the past few years there has been a series of destructive floods in these streams such as those at Pueblo and Denver. The relation of forest and range cover to such floods ought to be worked out as affording possible preventive measures of great importance. Water from the mountain streams is also of great practical importance as a source of irrigation.

An appropriation of \$25,000 would be required to initiate erosion-streamflow investigations on a satisfactory basis.

I appreciate the opportunity of presenting this matter and trust that you will see fit to include in the Agricultural Department appropriation bill for 1936 items under the three headings above set forth, aggregating \$75,000, for the establishment in Colorado of a forest experiment station for the Rocky Mountain region.

LET US ADOPT THIS RESOLUTION AND MAKE A HISTORICAL CONTRIBUTION TO THE PERMANENT PEACE OF A SORELY DISTRAUGHT WORLD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to print in the RECORD an address I delivered last Tuesday on the radio.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, on Tuesday, March 12, through courtesy of the National Broadcasting Company I explained to the people of this country over a coast-to-coast network a resolution I have introduced in the Congress (H. J. Res. No. 167) providing for a constitutional amendment which, if adopted, would make America secure against the plots of war makers who, apparently at any time, would sacrifice the flower of American manhood and plunge the country into all the grief that war entails to satisfy such ungodly motives as selfishness and greed.

I explained the strong elements of security contained in the simple resolution I have introduced, which provides that except in the event of invasion there never again shall be a declaration of war unless the people themselves agree to it by a majority vote in a Nation-wide referendum and that, if war does come, all war properties shall be conscripted for use of the Government immediately when war is declared, thus removing the profit incentive which is always tending to drag the Nation into war.

I said to the people of America over the coast-to-coast network:

Let us adopt this resolution and make a historical contribution to the permanent peace of a sorely distraught world.

I cited the hideous offenses against society committed by munitions manufacturers in their base efforts to coin the woe of the human race and the blood of their fellow beings into filthy dollars; how according to the testimony brought out by the Nye committee they thumb their noses at solemn treaties and embargoes, foment strike, encourage wars, and corrupt governments; how in one instance they herded 120 convicts into a room, locked the doors so these trembling creatures could not possibly escape and then squirted tear gas into their faces to demonstrate the efficacy of this war munition.

I asked the people of America whether they want this condition to continue where international financiers and profit-seeking munitions manufacturers can continually place our Nation in jeopardy of war.

RESPONSE THRILLING AND ELECTRIC

The response to my broadcast has been thrilling and electric. It has been tremendous, beyond all possibility to visualize. The people have responded with a thunderous, "No, we do not want this condition to continue. If war is to be declared we, who have to suffer and pay the costs of war, want to declare it ourselves; and we do not propose to have it declared for us by greedy and conscienceless selfish interests."

From all over the country, from every State in the Union, letters have come, by hundreds on hundreds, approving my efforts to have this proposed amendment written into the Constitution of the United States, and saying: "We are with you; stand firm and we will back you to the limit."

Forty-two presidents of universities and colleges have written to me pledging their support. They speak for the youth of today and the youth of tomorrow. Mothers, scores and scores of mothers, have written to me that they propose to have something to say in the future as to whether war shall be declared and they see their chance in my amendment. Women now have the right of suffrage—something they did not possess when former wars were declared, and they propose to use it to see that munitions manufacturers do not drag their boys into wars for greedy profits.

I have been perfectly amazed by the extent of the favorable reaction to my radio address. I cannot, of course, claim any excellence or particular literary merit for the address itself, but I do know by what has happened since the words were spoken and by the deluge of responses that have come that it interprets the heart and soul of America.

The constitutional amendment I have proposed, to give to the people themselves the right to exercise the highest act of sovereignty—the issuance of a declaration of war—is simple, concise, clean-cut. It is something concrete, behind

which the sentiment of the country can easily marshal itself, and it will do the work. Let me state it again, as follows:

SECTION 1. Except in the event of an invasion of the United States or its territorial possessions and attack upon its citizens residing therein, the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nation-wide referendum. Congress may by law provide for the enforcement of this section.

SEC. 2. Whenever war is declared, the President shall immediately conscript and take over, for use by the Government, all the public and private war properties, yards, factories, and supplies, fixing the compensation for private properties temporarily employed for the war period at a rate not in excess of 4 percent, based on tax values assessed in the year preceding the war.

TEXT OF RADIO ADDRESS

The address I delivered over the radio was as follows:

Ladies and gentlemen of the radio audience, through privileges generously extended to me by the National Broadcasting Co. I am appealing to the American people to come to the support of House Joint Resolution No. 167 of the Seventy-fourth Congress which I have introduced as a proposal to keep this Nation from becoming involved in wars. The proposal seeks to accomplish this objective by amending the United States Constitution in two particulars, first, to give the people who have to pay the awful costs of war the right, except in the event of invasion, to decide by a Nation-wide referendum whether there shall be war, and, secondly, to remove the profit incentive to war by providing for the conscription of war properties for the use of the Government in the event of hostilities. Under my proposed amendment when war is declared it will be the solemn, consecrated act of the people themselves and not the act of conscienceless, selfish interests using the innocent young manhood of the Nation as their pawn.

The amendment I propose is not a pacifist proposition and it has no root in pacifist philosophy. It interprets the thought of every typical, patriotic American as follows: "I am willing to die for my beloved country, but I am not willing to die for greedy, selfish interests that want to use me as their cat's-paw."

"Again we dream as war clouds gather", declared that wise old warrior, Gen. James E. Harbord, in a recent newspaper article sounding a sharp warning of war.

If we keep on dreaming and do nothing we may wake up soon to find that we have been maneuvered into another war.

Why should not those who have to fight and die and those who have to pay the awful costs of war have a right to say whether or not there shall be war? To deny to them that right is to deny that there is such a thing as justice.

In the recent hearings before the United States Senate committee known as the "Nye committee", assembled to investigate the profits of munitions manufacturers and their methods, the fact was brought out clearly and unmistakably that unless we write into the Constitution a provision reserving to the people themselves the right to declare war and taking the profits out of war we are likely to wake up to find ourselves again plunged into the hell of war with all of the refinements of cruelty, the moral degradation, the heart-breaking suffering, the indescribable misery which that hateful term connotes. I am convinced that the American people should be aroused to the import of the fundamental striking truths brought out by the investigators of the Nye committee, revolting though they are to every sense of right and justice.

When the testimony deduced by the Nye committee is finally filed away in the archives of the Government there should be placed above it where all posterity may behold it this inscription:

"This is the most shameful record ever written into legislative annals."

NOW IS THE TIME TO ACT

Someone may ask, What is the urgency that requires action now? My answer is that now, when America is at peace with all the world, is the time to write this amendment into the Constitution. The lightning is flashing, the war clouds are lowering. Next year or the year after it may be too late. When the atmosphere becomes surcharged with war electricity, individuals and interests that have devilish schemes to hatch proceed to hatch them. Wire pullers pull wires, plotters plot, and the first thing we know we are drawn into the holocaust. Unless the amendment I have proposed, or something similar to it, is adopted, the war threat will hang over America like a sword of Damocles—a real and constant menace. The revelations of the Nye committee bring out very vividly the fact that greedy selfish interests can and do set the stage for strife and wars in many nations, without the consent of the nationals of any nation, without the consent of the fine young men who have to die when war comes, without the consent of the wives who are made widows, the children who are made fatherless, and the mothers whose hearts are torn when they have to lay their flesh and blood on the altar of human greed. I ask everybody, everywhere, to arise and say by your support of my amendment that by the eternal gods this thing shall not be!

I am convinced that a mere dozen—half a dozen international financiers and half a dozen of the munitions kings—with a complaisant President in the White House at Washington, could maneuver this country into war at any time, so great are their resources and so far-reaching is their power. I pray to God we may never have a President who will lend himself to such activities but, after all, Presidents are human and many Presidents have been devoted to the material aggrandizement of our country to the exclusion of spiritual values as President Polk was when

he led the country into war with Mexico, primarily for the purpose of acquiring territory to the southwest. The point I am trying to make is that a declaration of war is the highest act of sovereignty. It is a responsibility of such magnitude that it should rest on the people themselves and should not be delegated to any man or any body of men and it should be a deliberate action following a "cooling off" period such as my amendment would provide.

Let us examine the dangers of the existing situation. A foreign power takes umbrage at some act or policy of America which it claims is unfriendly. Munitions manufacturers rush their agents to the foreign country to fan the war sentiment in order to reap a rich harvest of contracts. At home, munitions manufacturers, lured by the prospects of fabulous profits if war comes, pull the wires to bring the United States into war. War finally breaks out. The munitions sold to the foreign power are shot into our boys and are used to destroy American lives by the wholesale.

It is not to be wondered at that those who place profits above humanity should want to encourage war because the record shows that war and the preparation for war offer great inducements to those who wish to enrich themselves by this slimy trade.

PROFIT OF OVER A MILLION PERCENT

In the investigation of one munitions company the level head of Alger Hiss, the committee's investigator, must have whirled like a top when he brought out the astounding fact that that opulent concern in its able efforts to assist Mars has so far made the dizzy profit of 1,143,725 percent on its original investment.

The Nye committee hearings unfold a heart-sickening narrative. I ran across an interesting human-interest story tucked away on page 1995 of the hearings. An American concern that manufactures chemicals used in "gassing" the enemy gave a "demonstration" down in Chile where the market was being carefully cultivated. One hundred and twenty prisoners in the penitentiary were locked up in a room where none could escape the torture and a 20-gage shotgun shell of tear gas was shot at them to see how they would react. The agent reported then to his company:

"I gave a demonstration on about 120 prisoners. It was a great success."

"Just human guinea pigs," commented Senator CLARK, of Missouri, who was examining the witness.

I wonder how long it will be before these enterprising munitions manufacturers begin to demonstrate on home talent. The penitentiaries in the United States are full of demonstration material, human beings who are powerless to defend themselves, but it is to be hoped that the demonstrators in their big-hearted love for humanity will try out their works on hardened criminals and not gas our boys who are in for first offenses and minor delinquencies. At least, may we hope that they will spare the women and children.

In this far-flung radio audience there probably are some who have loved ones that have erred and are now in the penitentiaries. If so, they are dearer than ever to you, because mixed with your love for them is the precious ointment of sympathy.

Would you not be righteously indignant, would you not feel the deepest resentment, if some munitions salesmen would lock your loved ones in a room, as was done in Chile, and squirt war gases in their faces to demonstrate the effectiveness of the gas offered for sale?

And the shame of it is that this was done by an American firm.

Robert Burns must have had a prophetic vision of twentieth-century dealers in death and destruction when he wrote the immortal lines:

"Man's inhumanity to man
Makes countless thousands mourn."

A SANE AND SENSIBLE SOLUTION

The Nye committee with its ruthless exposures has not yet brought out the full story of how those who profit by wars have deliberately fomented strife and encouraged wars, broken treaties, sneered at embargoes, and corrupted governments, but it has proceeded far enough to show that something should be done about it. The welfare of humanity and the peace of the world demand action. The resolution I have offered proposes a sane, sensible solution. If the people themselves are allowed to vote on war in a national plebiscite and if war properties are conscripted for use of the Government when war shall occur, war will cease to be the threat it now is, because very few wars will ever occur under such a constitutional safeguard.

As far as finite vision can discern some wars are foreordained and inescapable as, for instance, the War of the American Revolution, which forged into our social structure great principles of right and justice, and the War between the States which was destined to write in blood and tears the fate of the institution of slavery, but some wars—most wars—are not unavoidable. Most wars are caused by greed and ambition and selfishness and hate, and are initiated through plots and machinations which are in the highest degree antisocial and antipathetic to every principle of humanity. It is to protect our children and our children's children and the America of posterity for all time to come against a recurrence of these unholy wars that my amendment is directed.

The way to secure the adoption of my resolution is for everybody who is interested in it to get busy and advocate it and send his views to his Members of Congress and United States Senators insisting on the passage of House Joint Resolution No. 167. Furthermore, if you approve my resolution, please write to me and tell me so, addressing me in care of the House of Representatives, Washington, D. C.

THE FIRST LINE OF NATIONAL DEFENSE

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a short article on the work of the State Department, prepared by a former State Department official.

Mr. RICH. Mr. Speaker, reserving the right to object, is this a very long article?

Mr. BACON. It is a very short article.

Mr. RICH. I hope the Membership of the House will refrain from putting anything in the RECORD except their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article by U. Grant-Smith, former Minister Plenipotentiary, concerning the work of the State Department:

In considering the general question of national security there is one important element which is often overlooked—namely, the mechanism for the dissipation of international misunderstandings, for the amicable solution of questions which might otherwise lead to armed conflict, and for the progressive cultivation of friendly relations with foreign peoples. The Army and Navy are brought into play only after pacific means of preserving the peace have proved ineffectual.

The question then very naturally arises whether or not the governmental mechanism established for this purpose is adequate as to the ability of its members, its numbers, the policy pursued, and last, but essential fact, whether or not it has been provided with adequate financial means to insure reasonable success in its efforts. The Department of State, with its network of agents known as the Foreign Service which reaches throughout the civilized world, is indeed the first line of our national defense and, it seems to me, should receive more attention by those interested in our security than it has heretofore. We are inclined to take it for granted that this organization is being efficiently conducted, that it is being adequately staffed and is supplied with sufficient funds.

One is surprised to learn, however, that during this era of lavish governmental expenditure, this essential element for our security has of recent years been reduced in personnel in the blessed name of economy. During a recent well-defined period the estimates have been pared down each year, a little here, a little there, until finally the members of our Foreign Service found themselves in such desperate straits that with reduced salaries and allowances, followed by the devaluation of the dollar, Congress was persuaded to come to their relief to save them from actual hardship. The distressing conditions which were shown to have developed at that time, which threatened the collapse of the entire organization abroad, are now a matter of general knowledge.

In addition to this, 87 Foreign Service officers were dropped during 1933-34, and thirty-odd further eliminations are contemplated during the present year. For 3 years there have been no promotions in the higher grades due to a lack of funds, and no entrance examinations have been held since 1931. Senator NYE recently publicly declared that we should have a department of peace to function beside the War and Navy Departments. But we have a department of peace—the Department of State, with its internationally recognized agents scattered throughout the civilized world, as mentioned above, and it is the activity of this very Department, especially in its foreign organization, which is being progressively weakened and curtailed.

In examining appropriations for the Department of State, in which those for the Foreign Service are included, the sums appropriated for United States contributions for international bureaus, congresses, etc., plus the fees collected and paid into the United States Treasury, must be deducted in order to arrive at the net cost to taxpayers of this department of government.

In this country we seem to have a mania for creation of new organizations rather than for strengthening and developing those which already exist for a given end. We are not unlike some Asiatic peoples who, rather than repair a building, begin the construction of a new one. It is hardly economical, to say the least.

The character and extent of the work of the Department of State and of its agents abroad are but little understood or appreciated by the country at large. In short, its primary object is to create and maintain peace and good will between the United States and other countries and, as a secondary object, to promote international trade, for peace is necessary to normal trade. This organization, with its far-flung ramifications, was not created to nurse and to amuse American citizens abroad but to devote itself to the advancement of causes dear to the heart of all right-thinking people. For some unknown reason there has always been a disposition on the part of those responsible for its conduct to avoid seeking popular support by periodically acquainting the public with its aims and achievements. A patriotic politician once characterized the Department of State and the Foreign Service as the "stepchildren of the demagogue"—there are no votes to

be captured through them and very little patronage to be gained. It seems then that when a gesture of economy is to be made these two services offer a convenient field. Heretofore no widespread objections were likely to be raised.

Aside from the multifarious and important duties in connection with our political and economic relations with other people with which the Foreign Service is charged, and of which the public has so imperfect a knowledge, it is particularly interesting in this connection that the men of the Foreign Service and their wives are instructed by the Secretary of State to make the acquaintance of the people of the countries where they are stationed, to develop friendly relations with them, and to seek to create a sense of partnership in the many interests, political, economic, and cultural, which they have in common with the people of the United States. I think I am not mistaken when I venture the opinion that such detailed instructions of this pacific character are unique in the diplomatic world. The importance of these activities will be admitted; that they must be carried on quietly and persistently. Also, it is obvious that the creation of an atmosphere of the good neighbor will aid materially in insuring harmonious international relations. Every man withdrawn from this Service reduces by just so much the possibility of the development of this beneficent work. Of those who remain at their posts, the husband and father, discouraged by reduced salary and allowances, indefinitely postponed promotion, an uncertain future, and ever-increasing duties, is obviously less likely to pursue it with enthusiasm.

The attainment of national security must be sought first through the cultivation of a desire for peaceful relations inspired by a realization of preponderant mutual interests, by mutual regard and by the amicable adjustment of differences, and secondly by an adequate armed preparedness on land and sea which will inspire respect on the part of the predatory.

To maintain the organizations which are charged with this first line of our national defense at as high a degree of effectiveness as possible would seem to be an elementary precaution, for it is evident that the less successful they are in warding off danger the greater will be the strain placed on our Army and Navy.

We must not lose sight of the fact that the Representatives and Senators on Capitol Hill are not the same as those who felt obliged to obey the popular demand for consular reform in the early nineteen hundreds. Under pressure from various commercial organizations throughout the country it was grudgingly conceded. The Chief Executive and the Secretary of State have welcomed every opportunity to improve and to stabilize the organizations on which they depend for the successful carrying out of their policies abroad. It is not the same, however, on Capitol Hill. Each new lot of solons who appear, beset by place-hunters, cannot be expected to evince much interest in any Government organization which offers such poor pickings.

By the early nineties an element in our Foreign Service in both branches, diplomatic and consular, that had been introduced through the operation of political patronage without regard to the fitness of the appointees, had caused it to become a byword for inefficiency and even for intemperance. A play called the "Yankee Consul" will be recalled. Most amusing, but wounding to our vanity as a nation. It needed something of that kind to rouse the public to a realization of the depths to which our Foreign Service had been dragged by the spoilsman. Some years ago an American resident abroad remarked to a foreign diplomat that it was in the interest of other countries that our diplomats and consuls should be as unskilled as possible. "Yes," was the considered reply, "but we don't say much about it." A moment's thought will reveal the truth and serious import of that admission. Shall we then play deliberately into their hands?

In the old days when the possibility of our becoming seriously involved with other nations, and foreign commerce had not assumed such importance in our national economy, places in the Government service abroad, as pointed out above, were the perquisites of the spoilsman. First, our exporters realized that reform was necessary in their interest. This had its beginnings in the law of 1906, which provided for the reorganization of the Consular Service, and in 1916 similar principles were applied to the Diplomatic Service. This now has progressed to the point where, with the exception of appointments as chief of mission, all of those serving the Government abroad under the Department of State are brought under an organization where competency and efficiency are demanded. Both political parties did their part, and the future seemed bright. Just how to account for the blight which has in recent years cast itself over our Foreign Service is difficult.

Partially, doubtless, it can be attributed to a lack of understanding on the part of those who have since risen to the management of our affairs, and also of the press, of the important part which this, our first line of defense, our peace offensive it might also be called, could and ought to play. Nor should we overlook the fact that it has lacked, and still lacks, ever-watchful champions to urge its claims on Congress and on the Executive.

Instead of patriotically cooperating for its development into an effective instrumentality for the continuation of peaceful intercourse with foreign nations, spoilsman have sought to prostitute it to their selfish ends, political writers have used it as a convenient butt for acrid criticism. Budget makers have denied it adequate support, enthusiastic amateurs have tinkered with it and an uninformed public has been led by them to regard it as having some vague connection with foreign commerce but chiefly as a convenient means for a social holiday abroad at governmental

expense. Thus the basic reason for its establishment, namely, for the maintenance of peaceful international relations, has been all but lost sight of.

Failure to develop this instrumentality for the common good, as pointed out above, has been due to a lack of realization of its inherent possibilities. Now, however, that an intelligent interest in it is being aroused in response to the growing demand for the exploration of every avenue which may lead us toward a durable peace and prosperity, it can confidently be anticipated that the great patriotic societies of women will watch over it with care, will insist upon its being rejuvenated and that its energies be chiefly directed in the channels through which it was originally designed to flow—those leading toward the calm waters of peace and mutual understanding between the American people and those of other countries.

WASHINGTON, D. C., January 31, 1935.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record, and to include a statement made by my colleague the gentleman from Kentucky Mr. VINSON, before the Ways and Means Committee last week.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BOEHNE. Mr. Speaker, under leave to extend my remarks in the Record I insert the following statement by Hon. FRED M. VINSON before the Committee on Ways and Means during the hearings on H. R. 3896, the Vinson bill, sponsored and supported by the American Legion.

Mr. VINSON. Mr. Chairman and gentlemen of the committee, this is a somewhat unique experience for me. Generally the conversation I have had with the committee has been upon the same level. But now I look up to you.

I am glad that Judge Wanamaker immediately preceded me, because I want to correct, even in the minds of distinguished members of this committee and thereby in the minds of distinguished Members of Congress, this fallacy mentioned by a warm personal friend of mine, the Honorable WRIGHT PATMAN, in his splendid, lawyerlike manner, when he was addressing the public, as to the necessity for further action of Congress. Here is a splendid citizen from Ohio who is confused in respect of the necessity for subsequent action by the Congress of the United States if the Vinson bill passes both Houses, and, signed by the President, becomes law. The gentleman from Tennessee [Mr. COOPER] clarified the matter in very considerable degree.

H. R. 1 REQUIRES SEVERAL APPROPRIATIONS

Instead of H. R. 3896 being irregular, being unusual, every Member of Congress knows, or should know, that it is the usual manner and method of legislation. This is a legislative committee and it has no power to appropriate. The Appropriations Committee has that function.

The gentleman from Massachusetts [Mr. MCCORMACK] referred to a special rule that might permit an amendment to this or any bill to be added, carrying the appropriation, if the Rules Committee so decided, and thereby the passage of the bill through both Houses and signature on the part of the President would enact the legislation and the appropriation into law. H. R. 3896 is the regular, usual way of doing it. It is the only way it can be done, because this committee has no power of appropriation. No one knows that better than my friend WRIGHT PATMAN. No one in this House knows that better than he.

I take in my hand H. R. 1, a bill introduced by my friend WRIGHT PATMAN on January 3, 1935, and let me tell you that the same identical thing obtains in respect of it as H. R. 3896. I am told by the same authority who conveyed the information to Mr. PATMAN that this authorization section would require an appropriation, Mr. Beaman, chief of the legislative counsel, chief of the drafting service, that the phrase beginning on line 21, with the word "the" on page 4:

"The Secretary of the Treasury is hereby authorized and directed to issue such notes in such amount as may be required to make such payment".

is in law and legal effect an authorization, and that it will require an appropriation either through the Appropriations Committee or under a special rule from the Rules Committee.

I turn to section 4, page 7, beginning line 16, and I find identically the same condition obtaining. I read from that section:

"Amounts in the adjusted-service certificate fund are hereby authorized to be made available for the expenses of printing and engraving United States notes issued under this act, for paying fractional parts of a dollar which cannot be paid in United States notes issued under the provisions of this act, and for paying the principal and interest on or in respect of loans pursuant to the provisions of subsection (c) of section 509 of the World War Adjusted Compensation Act as amended."

Not only do I have Mr. Beaman as an authority upon this last language but I understand that Mr. Dreschler, the Parliamentarian of the House, says there is no question but that it is simply an authorization. A person would not have to be a Member of this House very long to know that the language that

I have read is an authorization, and Mr. Dreschler will so state, that it will require an appropriation in order to provide the money for paying fractional parts of a dollar which cannot be paid in United States notes issued under the provisions of this act, and for paying the principal and interest on or in respect of loans.

If it requires appropriations under H. R. 1 before it can go into full force and effect, I submit to you that the same legislative procedure must be followed as in H. R. 3896; and that an appropriation bill must necessarily be adopted into law for H. R. 1, as in H. R. 3896. If a "double curve" is in H. R. 3896, H. R. 1 must have a double reverse twister, known in Australia as a "boomerang."

THE CHARGE AGAINST COMMITTEE REFUTED

I regret on behalf of the committee, and myself as a member thereof, that charges have been made throughout the land that our committee has been derelict in its duty in not having hearings upon these bonus bills. We are all zealous for their cause, and properly so. People make statements that upon reflection they regret having made. I submit to you the statement that this committee could have had no hearings on this or any subject in the week prior to January 14, 1935. It could not have reported any bill to the Congress in this period. Such charge evidently was made in a moment when the gentleman who gave it to the press did not have the facts before him. I call to your attention that the Democratic membership of the Ways and Means Committee was elected January 3, 1935, the first day of session of this Congress, while the Republican membership was not elected until January 14, 1935.

Consequently, there was no Ways and Means Committee until the day that the American Legion bill, H. R. 3896, was dropped into the hopper. No bill could have been considered before January 14.

There has been no disposition on the part of this committee to delay hearings. At the first meeting of the committee, you will bear me out, that we passed a resolution that after the economic security bill was out of the way we would immediately proceed to the consideration of the cash payment of the bonus. So eager was the chairman of this committee to hasten the consideration of this matter that in the first breathing spell he saw, while the drafting services is preparing the economic security bill, these hearings were held. This committee has been working morning, afternoon, and the members at night in the consideration of a great social program, in many ways pioneering in character, in many respects the heart and soul of this administration's program—legislation for old-age pensions and old-age assistance; legislation for dependent children; legislation for crippled children; legislation for child and maternal welfare, public health, and unemployment insurance. I am happy to say to the country that no member of this committee has attempted in the least degree to impede the progress of this legislation.

THE AMERICAN LEGION BILL (H. R. 3896)

At the request of the American Legion I introduced H. R. 3896. They had their draft and presented it to me. I consulted the official drafting service of the House, the legislative council. We worked all afternoon and part of the next day in order to whip it into shape and to put upon paper the mandate of the Legion in convention assembled at Miami.

There was a small item of \$6,000,000 left out. That was a question of refund of interest paid. As Mr. PATMAN has told you, the administration of that is very difficult; very difficult, indeed, as to the question to whom the refund should be made. We want to incorporate that in this bill. The national commander would like to see it put in the bill. We would like to have the mandate of the American Legion presented to the Congress. If H. R. 3896 does not do it, it should do it.

ALL VETERANS UNITE FOR CASH PAYMENTS

The word has gone out through the press that there is a split in the veterans' ranks. We hear from all sides that personalities are involved. Even Judge Wanamaker thought that, that because my friend PATMAN had a bill and because I had a bill, that such situation had anything to do with this controversy. Why, my friends, that is the smallest part of it. I introduced H. R. 3896, and from that day to now, and from that day until this controversy closes, unless intervening causes change my mind, no living human being has heard me say anything except a friendly word about WRIGHT PATMAN. We have been associated here for several years in fights for the veterans, not only the cash payment of the bonus, but in the economy bill fights, in all veterans' legislation. I have not issued a statement that in any shape, form, or fashion reflected upon or impugned the motive of WRIGHT PATMAN; so far as I know, referring to me directly, WRIGHT PATMAN has never attempted to impugn my motive or my purpose. At all times he has said that we have the same objective in this Congress.

We view at this time the manner of procuring the money from different angles. Immediately it will be stated that I have upon two occasions supported bills that were introduced by my friend Patman, and it is a pleasure for me to admit that I did so, and was as sincere and as whole-hearted in so doing as I could be. In fact, I supported it as long as I thought there was a chance of passage.

WHY HANDICAP CASH PAYMENT OF BONUS?

The Patman bills at that time and now have two objectives. One objective is paying the bonus, the other is inflation. There

is no difference between inflation and expansion of the currency. If there is any virtue in expansion of the currency, it comes through inflation. I could hardly keep from smiling when some folks had the temerity to say that there was no inflation in H. R. 1. My friends, if there is not, why have that part of H. R. 1? If it is inflationary, there is a divergence of opinion as to the advisability of such policy. And I offer as a witness my good friend PATMAN, who, last August, made a strong statement with reference to the necessity of divorcing inflation from the payment of the bonus certificates. He made that statement stronger than I can. He said the country is divided upon it and the soldiers are divided upon it, and that we should divorce inflation from the payment of the bonus. I agree with him. Whether I am in favor of controlled inflation now does not matter. But assuming that I am, I say to you that there is no need of putting more weight on the back of the soldier than he can carry.

In Kentucky, you know, we have some quadrupeds that run around an oval. You will have a horse that can carry 110 to 115 pounds, but you weigh him down with 140 to 150 pounds and he stops in the stretch. That is what has happened with reference to this bonus proposition. We have gone around the track, passed it through the House twice, but we failed when we came into the stretch. Twice the Patman bill has passed the House and twice it has been stopped in the stretch—in the Senate. So far as I am concerned, I want to have as light a weight on the horse that is carrying my money around that track as it is possible to have.

H. R. 1 CHANGES MONETARY SYSTEM OF THIS COUNTRY

A moment ago I said that my friend PATMAN had been so clever that he had sold to the country the idea that the Vinson bill was the irregular, unusual method of procedure. I say to you, and I ask you to bear me witness that my statement is correct, that I have never been able to find in the entire history of this Government any law upon the books passed by any Congress in which the monetary system of the United States was changed in this manner to provide currency with which to pay a debt. That is what the Patman bill does. It changes the monetary system of the United States. That bill, in my opinion, is the unusual, irregular effort. Is there a doubt in the mind of any member of this committee or any member advocating the Patman plan that it does not change the monetary system of the United States? The statement is an answer to the question. If it does not change the monetary system of the United States, you have the power and the authority on the books to do the thing that Mr. PATMAN wants done. Consequently, I say that if that power and authority is not on the books, it is a change in the monetary system of this Nation.

Now, let us assume that we are inflationists, and that we put inflation first. I say that every such person, member of this committee, or Member of the House, if his first objective is a change in the monetary system of this country, should prefer H. R. 1 to the Vinson bill. If he believes that the Ways and Means Committee, a committee that has no jurisdiction over the monetary system of our country, should bring in a bill changing it without having had any witness to tell it that such change was sound, except my friend PATMAN and my friend HANCOCK, without having any witness to take up these different paragraphs in the money-mechanics section of this bill and tell you how it would work, he has plenty of faith. I say this, that the person who has, as first objective, the immediate cash payment of the bonus, after the experience of the former Patman bills, ought to vote for H. R. 3896. The Patman bill, H. R. 7726, in the Seventy-second Congress received 16 votes in 1932. Later on, at another time, another H. R. 1 received 31 votes in the Senate.

The House has a Committee on Banking and Currency, who are experts in money problems. I think, if change be desirable, it should come from them divorced from bonus legislation. The monetary change is not simply limited to bonus payments. It affects the entire economic structure.

It is needless for me to take your time with reference to the votes necessary to have any Federal legislation.

In my opinion, the House will pass any reasonable bonus bill upon which they have an opportunity to vote. You pass the Patman bill, and you have sounded the death knell of cash payment of the adjusted-service certificates for this Congress. If you pass the Vinson bill, you have an opportunity to enact cash payment into law.

My friend PATMAN said that, of course, the Vinson bill could not pass; that it would be a gesture. Let us see; I do not think we ought to fool ourselves about this. It is too serious a proposition. It may be that it will serve the purpose of some to keep this matter here in Congress, to go back home and say, "Well, boys, we passed it through the House, we fought for it and we voted for it, and we saw it killed in the Senate. Of course, we did not have any control over the Senate", and then let the thing come back again and be a political football. I do not believe there are very many people in the House who have that notion. I do not know a single member of this committee that has that attitude, and I do not think there are very many Members of the House that have that attitude.

Those who place inflation first, of course, should support the Patman bill. There is no inflation in the Vinson bill, not a particle of inflation in the Vinson bill. Partly based upon the statement made by my friend PATMAN with regard to divorcing it, I have come to the conclusion that this is the strongest vehicle, not necessarily the Vinson bill, but a bill which will pay the bonus as any other debt, in the usual, regular way.

What gentleman now advocating H. R. 1 raised his voice when the works bill passed, carrying \$4,880,000,000? Immediately they say that it came in under a rule and they did not have the opportunity to change the monetary system of the United States. Gentlemen, every bill of authorization in this Congress, or any other Congress in our history, could have been made the vehicle, if you had votes enough to change the monetary system of the United States, to provide payment as in H. R. 1. I say it is not fair to the veterans of this country to use them as the vehicle of changing the monetary system, with a bill from the Ways and Means Committee, and force a vote in view of the frank statements of the President.

BANKING AND CURRENCY COMMITTEE HAS THE JURISDICTION OF MONETARY SYSTEM CHANGES

I know that this committee is a splendid committee. It is the oldest committee of the House. It is not stating any secret when I say that it is the most sought-after committee assignment in the House. But we have a Committee on Banking and Currency that has jurisdiction of the changing of the monetary system. I submit to you that that change in the monetary system should stand up on its own legs and should be tried on its own merits, rather than to hook it up with and use the power of those of us who want to do justice by veterans.

We had a refinancing bill reported from this committee. It is a matter of record that my friend PATMAN offered an amendment to limit interest on those bonds or short-term securities to one-half of 1 percent per annum. That could mean but one thing, and he was splendid enough to admit it yesterday. It would mean the withdrawal of long- and short-term securities and replacement of them with currency.

I do not know who has signed the Townsend petition as yet. They claim it takes only \$24,000,000,000 a year, I believe it is, to finance that proposition. In fact, they claim it will not take that much. But PATMAN's proposition to have twenty-eight billions of Treasury notes in a new system, in my opinion, wrecks the works.

AMERICAN LEGION AIDS CASH PAYMENT

Another thing I cannot understand is why they leap on the American Legion for supporting the cash payment. I have been here several years. I have never known a single instance when the Legion, the strongest veterans' organization in these United States, was not lined up on the side of the soldier. My friend PATMAN said that some of the leaders have not been for inflation who have been for the payment of the bonus under this method. I expect that is true. WRIGHT PATMAN knows whereof he speaks. But there are a lot of honest, conscientious, country-loving people who fear inflation.

THE SILVER AND GOLD BULLION IS NOT RESERVE FOR MONEY IN H. R. 1

Even our authority on silver, when he addressed this committee yesterday so splendidly—and I refer to the gentleman from Texas, Mr. DIES—said he wanted currency with a metallic base. Then our friends who are proponents of other measures come along, and they say, "Here you have eight billions of gold over here and practically a billion of silver over there. That will still be 'there.'" That money is not behind currency. That bullion is locked off in a different vault. Of course, the value of that bullion, as well as the credit of the United States, is behind all currency. But there is no word in H. R. 1, and there has been no suggestion made, tying up that eight billions of gold and the billion of silver as a reserve for this currency or any portion thereof.

OUR CURRENCY SET-UP

It has been stated here that there are 4½ billion dollars in currency similar to the Treasury notes called for in H. R. 1. I doubt this statement. At this time I desire to insert in the record a circulation statement of the United States money as of December 31, 1934.

The CHAIRMAN. Without objection, the statement will be inserted in the record.

The statement referred to follows:

Circulation statement of United States money, Dec. 31, 1934

Kind of money	Total amount	Money held in the Treasury					Money outside of the Treasury				Population of continental United States (estimated)
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve banks and agents	All other money	Total	Held by Federal Reserve banks and agents ¹	In circulation ²		
									Amount	Per capita	
Gold.....	\$8,237,967,192	\$8,237,967,192	\$5,273,806,270	\$156,039,431		\$2,808,121,491					
Gold certificates.....	(45,273,806,270)	4,343,017,221			(44,343,017,221)		\$930,789,049	\$800,396,370	\$130,392,679	\$1.03	
Standard silver dollars.....	543,541,451	508,354,803	491,809,781			16,545,022	35,186,648	3,139,943	32,046,705	.25	
Silver bullion.....	211,619,975	211,619,975	211,619,975								
Silver certificates.....	17 (702,244,832)						702,244,832	110,674,352	591,570,480	4.66	
Treasury notes of 1890.....	(1,184,924)						1,184,924		1,184,924	.01	
Subsidiary silver.....	309,431,860	4,170,724				4,170,724	305,261,136	10,880,759	294,380,377	2.32	
Minor coin.....	130,508,154	2,645,792				2,645,792	127,862,392	2,761,338	125,101,024	.99	
United States notes.....	346,681,016	2,475,816				2,475,816	344,205,200	79,450,649	264,754,551	2.09	
Federal Reserve notes.....	3,520,365,570	16,988,865				16,988,865	3,503,376,705	327,760,050	3,175,616,655	25.05	
Federal Reserve bank notes.....	118,762,113	2,318,094				2,318,094	116,444,019	15,682,890	100,761,159	.79	
National bank notes.....	887,936,475	21,884,797				21,884,797	866,051,678	46,188,675	819,863,003	6.47	
Total Dec. 31, 1934.....	14,306,813,806	9,008,426,058	5,977,236,026	156,039,431	\$ (4,343,017,221)	\$ 2,875,150,601	\$ 6,932,606,553	1,396,934,996	5,535,671,557	43.66	126,791,000
Comparative totals:											
Nov. 30, 1934.....	14,105,252,602	8,848,416,004	5,895,254,914	156,039,431		2,797,121,659	6,845,138,941	1,296,605,004	5,548,533,937	43.78	126,730,000
Dec. 31, 1933.....	10,209,624,041	3,766,214,131	1,656,617,475	156,039,088		1,767,949,566	8,100,027,385	2,294,423,108	5,805,604,277	46.05	126,059,000
Oct. 31, 1920.....	8,479,620,824	2,436,864,530	718,674,378	152,979,026		1,212,360,791	352,850,336	6,761,430,672	5,698,214,612	53.21	107,096,005
Mar. 31, 1917.....	5,396,596,677	2,952,020,313	2,681,691,072	152,979,026			117,350,216	5,126,267,436	4,172,945,914	40.23	103,716,000
June 30, 1914.....	3,797,825,099	1,845,569,804	1,507,178,879	150,000,000			188,390,925	3,459,434,174	3,459,434,174	34.93	99,027,000
Jan. 1, 1879.....	1,007,084,483	212,420,402	21,602,640	100,000,000			90,817,762	816,266,721	816,266,721	16.92	48,231,000

¹ Includes money held by the Cuban agency of the Federal Reserve Bank of Atlanta.

² The money in circulation includes any paper currency held outside the continental limits of the United States.

³ Does not include gold other than that held by the Treasury.

⁴ Includes \$1,800,000,000 exchange stabilization fund.

⁵ These amounts are not included in the total since the gold or silver held as security against gold and silver certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.

⁶ This total includes \$19,061,155 deposited for the redemption of Federal Reserve notes (\$1,099,205 in process of redemption).

⁷ \$211,619,975 secured by silver bullion held in the Treasury.

⁸ Includes \$31,846,977 lawful money deposited for the redemption of national bank notes (\$21,761,564 in process of redemption, including notes chargeable to the retirement fund), \$1,677,500 lawful money deposited for the redemption of Federal Reserve bank notes (\$2,318,088 in process of redemption, including notes chargeable to the retirement fund), \$1,350 lawful money deposited for the retirement of additional circulation (act May 30, 1908), and \$60,748,982 lawful money deposited as a reserve for Postal Savings deposits.

⁹ The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in the Treasury to arrive at the total amount of money in the United States.

¹⁰ Revised figures.

NOTE.—Gold certificates are secured dollar for dollar by gold held in the Treasury for their redemption for uses authorized by law; silver certificates are secured dollar for dollar by standard silver dollars held in the Treasury for their redemption (or by silver bullion); United States notes and Treasury notes of 1890 are secured by a gold reserve of \$156,039,421 held in the Treasury. Treasury notes of 1890 are also secured dollar for dollar by standard silver dollars held in the Treasury; these notes are being canceled and retired on receipt. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or, until Mar. 3, 1935, of direct obligations of the United States if so authorized by a majority vote of the Federal Reserve Board. Federal Reserve banks must maintain a reserve in gold certificates of at least 40 percent, including the redemption fund which must be deposited with the United States Treasurer, against Federal Reserve notes in actual circulation. Federal Reserve bank notes are secured by direct obligations of the United States or commercial paper, except where lawful money has been deposited with the Treasurer of the United States for their retirement. National bank notes are secured by United States bonds except where lawful money has been deposited with the Treasurer of the United States for their retirement. A 5-percent fund is maintained in lawful money with the Treasurer of the United States for the redemption of national bank notes and Federal Reserve bank notes.

Mr. VINSON. This statement shows the entire money mechanics. It shows what is behind our currency. Instead of having three and one-half billion dollars of Government securities behind our currency, we have less than a billion dollars, less than \$900,000,000 of securities. My authority for that is this circulation statement, together with a letter which deals with it specifically, from Dr. E. A. Goldenweiser, dated February 21, 1935, and I would like to submit that letter for the record.

The CHAIRMAN. Without objection, it may be inserted in the record.

The letter referred to follows:

FEDERAL RESERVE BOARD,
Washington, February 21, 1935.

HON. FRED M. VINSON,

House of Representatives, Washington, D. C.

DEAR MR. VINSON: In accordance with your written and telephone requests of February 19, we are enclosing the statement of the public debt of the United States for September 30, 1934, and the daily statement of the United States Treasury for January 31 and for February 1, 1935.

The statement of the public debt gives the latest available final figures and also includes detailed information as regards interest-bearing issues and various contingent liabilities of the United States. The most recent public-debt figures are available in the daily statement of January 31 and will be found on the reserve side of pages 3 and 4.

At the present time there are three types of currency backed wholly or in part by United States Government securities: National-bank notes, Federal Reserve bank notes, and Federal Reserve notes. On January 21 national-bank notes were outstanding in the amount of \$876,000,000. These notes were backed by United States Government securities in the amount of \$677,000,000, the remainder being backed by lawful money with the United States Treasury. On page 5 of the daily statement for February 1 are shown the securities held by the Treasurer of the United States to secure national-bank note circulation. These figures may be compared by issues with the outstanding amounts shown in the daily statement of January 31.

On January 31 Federal Reserve bank notes were outstanding in the amount of \$112,000,000; nearly all of these notes were backed by lawful money, and only a negligible amount by United States Government obligations.

Federal Reserve notes outstanding on January 31 amounted to \$3,370,000,000. Back of these notes Federal Reserve agents held gold certificates in the amount of \$3,256,000,000, eligible paper in the amount of \$5,000,000, and United States Government securities in the amount of \$186,000,000.

Very truly yours,

E. A. GOLDENWEISER,
Director of Research and Statistics.

Mr. LEWIS. I wish you would develop the matter, if you can.

Mr. VINSON. Behind the national-bank notes, outstanding in the amount of \$876,000,000 you have \$677,000,000 of bonds. Behind Federal Reserve bank notes, is a negligible quantity, as I read the statement, something like \$17,000,000. Behind Federal Reserve notes outstanding, in the amount of \$3,370,000,000 you have \$186,000,000. If you total these securities you will have less than \$900,000,000. I think it is \$880,000,000.

Mr. LEWIS. What is the significance, then, of the great bulk of gold in the Treasury?

Mr. VINSON. That gold was taken from the Federal Reserve banks. Formerly behind Federal Reserve notes there was a gold base of at least 40 percent; now they are gold certificates. Back in 1932, as I recall it, that gold reserve was 95 percent of the Federal Reserve notes. It was necessary to have only a 40-percent gold base and a 60-percent background of commercial paper. Behind national-bank notes in 1932 there was 95 percent United States bonds and 5 percent lawful money, although it may have been changed, because it is not quite that figure in the statement.

The significance of that is this:

H. R. 3896 in no sense is a vehicle to permit bankers to make untold millions of dollars. You know my friend PATMAN was a prosecutor. He is a good lawyer; he is a crackerjack lawyer before a court, and he is a good lawyer before a jury. He knew that if he could call legislation a "bankers' bill" that would lend strength to his arm. I want to compliment and congratulate him on the fact that that argument was not used here in the consideration of this measure.

The interest that bankers get now—and I have Mr. PATMAN for my authority on this—annually is between 20 and 30 million dollars, and yet you would have thought that all that \$6,333,000,000 of currency outstanding on January 31, 1935, had Government securities behind it, and the bankers were just sitting up clipping coupons. Of course, that was PATMAN pleading to the jury. When PATMAN pleads to the court, he does not characterize this American Legion bill as a "bankers' bill." Why, I have no connection with bankers. Yes; I do. I am an expert when it comes to writing my name to a promissory note and asking them to discount or renew it. So far as I know, excepting Frank Belgrano, the national commander, there is not a large banker in the United States that is for either one of these bills. They are not going to run amuck and run over each other getting in there to buy these bonds.

We were told here the other day by the Secretary of the Treasury that the average interest yield for all securities for 1934 was less than 3 percent. On your short-term obligations one of the lowest was two-thirds of 1 percent per annum. The average yield

is 3 percent. The interest on consols, which are behind national-bank notes, is 2 percent.

I am happy that we do not have to bear before this committee the burden of the characterization of a "bankers' bill."

BROMIDES

A bromide is a strong thing. I remember back what they said about Cleveland, "The panic of '92." That was all they had to say. Then they came along to Mark Hanna and the slogan for my Republican friends, "The full dinner pail." That went like wildfire. Before long came a statement on the Democratic side, "He kept us out of war." Then along came the Democrats attacking the Republicans in 1932, and all we had to do was say, "Hoover." That is not fact, argument, or reason. It is simply a bromide.

I remember in 1928 when the folks compelled me to take an enforced vacation. I lost only 6 precincts against 2 splendid gentlemen in the primary in 1928—6 precincts in 19 counties. I went out to St. Louis as vice chairman of the western headquarters, and folks back home said, "Fred is all right, but he is for Al Smith." Fred turned up missing.

That is the philosophy behind the bromide calling this a "bankers' bill." But the splendid feature of this thing is that far from dealing in personalities, far from dealing in mud-slinging or anything of that kind, that argument was not presented here either yesterday or today.

THE FIRST PATMAN BILL

My friend PATMAN, I think, is one of the most capable, one of the most able men in this House. I admire his ability, his perseverance, and his work. I like him personally. But he says he has sold the country on the Patman bill. Now, God bless him, which Patman bill? He has introduced 5, and he has had 7 plans. I am not going to say anything derogatory about any of them, but he has introduced 5 different kinds of bills and had 7 different plans. He changed one plan between the time he wrote the Yellow Book and the time he introduced the last bill in Congress. I did not know that until he stated it.

When he introduced his first bill it was only payment of the bonus. Of course, that was in his early days here, but he was just as smart then as he is now. And, lo and behold, the money was to be provided by the sale of bonds. I want to read from section 2 of that bill, which was H. R. 3493, in the Seventy-first Congress:

"The Secretary of the Treasury is hereby authorized to issue bonds in such amounts as may be needed to carry out the purpose of this act. Such bonds are to be known as 'adjusted-compensation bonds', to bear such rates of interest as the Secretary of the Treasury in his discretion may determine, and to be redeemable in 15 years after the passage of this act."

That was introduced on May 28, 1929.

The Secretary of the Treasury was authorized to issue bonds, and the power to fix the interest rates was discretionary in him. Who was Secretary of the Treasury then? If my memory serves me, it was the pet antipathy of my friend PATMAN; it was Andrew Mellon.

I wonder if Mr. PATMAN 6 years subsequent to that time would refuse to the Secretary of the Treasury under this administration, particularly as it dealt with the discretion in regard to interest rates, that which he would have given his pet antipathy, Mr. Mellon.

Surely no one ever thought of its being a "bankers' bond bill." The bonds were then called.

THE SECOND PATMAN BILL

We come along to the Seventy-second Congress, and our friend PATMAN introduced H. R. 1. It was introduced on December 8, 1931. Section 2 reads:

"SEC. 2. There is authorized to be appropriated such amounts as may be necessary to carry out the provisions of sections added to title V of the World War Adjusted Compensation Act by section 1 of this act. Amounts now or hereafter in the adjusted-service certificate fund created by section 505 of the World War Adjusted Compensation Act, as amended, are authorized to be made available for the payment of the face value of the adjusted-service certificates under section 509 or 510 of such act, as amended."

I could have used that section there in this bill. It is an authorization bill. My friend PATMAN was not shooting any double curve. Of course, he was not. He dropped out the bond proposition in the first bill, and came out in the regular, ordinary, usual way of authorizing the payment of these certificates in the second.

THE THIRD PATMAN BILL

In that Congress—the Seventy-second—and gentlemen here will bear me out, not only those who served upon the committee, but those who served in Congress at that time—we spent approximately 2½ months on the cash-payment adjusted-service certificate problem. On January 14, 1932, the third Patman bill was introduced, and it provided for the payment of the adjusted-service certificates by the issue of Treasury notes. That was H. R. 7726. The Secretary of the Treasury was authorized to pay the certificates with Treasury notes in the sum of \$1, \$2, \$5, \$10, \$20, and so forth. We insert in full:

"SEC. 2. Payments of the face value of adjusted-service certificates under section 509 or 510 of the World War Adjusted Compensation Act, as amended, shall be paid in Treasury notes. The Secretary of the Treasury of the United States is hereby authorized to have engraved and printed a sufficient amount of Treasury notes, in the denominations of \$1, \$2, \$5, \$10, \$20, \$25, \$50, \$100, \$500, and \$1,000 each; such Treasury notes shall be full legal tender, noninterest bearing, exempt from all taxes, including Federal, State, and subdivisions thereof."

Of course, you had no control whatever. If that was not inflation, if that was not expansion of the currency without any brakes, I just do not know what it would be. At any rate, that was the idea that percolated through the minds of the Ways and Means Committee.

That proposal brought down upon Mr. PATMAN's head a charge of greenbacks, fiat money, and printing-press money. While I know that he had no thought or purpose of that kind, it added weight to the veterans' cause to secure cash payment. That was the section that the administration shot at, that Mr. Mills, Dr. Goldenweiser, and every member of the administration who addressed us objected to on the ground that it was inflation.

Then we had the Owen plan. That was submitted to us by ex-Senator Robert L. Owen, agreed to by Mr. PATMAN. It provided for the payment of the adjusted certificates with Treasury notes, but at the same time bonds were to be issued bearing $3\frac{1}{2}$ -percent interest and placed in the Federal Reserve banks to be sold for the purpose of withdrawing that currency if it got out of bounds. We were told by economists that that was a good and sufficient brake, that you had your control of it. The control of it was the sale of interest-bearing bonds.

That amendment lost in this committee 14 to 11, and the committee reported the cash-payment bill adversely. There was a minority report, seeking the cash payment of the bonus, with the express statement that if the bill was considered on the floor of the House we would offer the Owen plan. You will remember that Hon. Heartsill Ragon offered that amendment on the floor of the House. There was very little debate in regard to it, because our beloved colleague, Edward Eslick, laid down his life for his veteran friends in the first day's debate. The funeral party was to leave at 4 o'clock the next day. We had 15 minutes debate on it, as I recall. It was adopted and was in that bill when it passed the House in the Seventy-second Congress. We struck out section 2 of H. R. 7726 and inserted the Owen plan—the fourth Patman plan—which is set forth in full:

"SEC. 2. Payment of the face value of the adjusted-service certificates under section 509 or 510 of the World War Adjusted Compensation Act, as amended, shall be paid in Treasury notes.

"The Secretary of the Treasury is hereby authorized and directed to issue United States notes to the extent required to make the payments herein authorized. Such notes shall be legal tender for public and private debts and printed in the same size, of the same denominations, and of the same form as Treasury notes, omitting the reference to any Federal Reserve bank.

"He shall place such notes in the Federal Reserve banks, subject to the order of the Administrator of Veterans' Affairs, to be used for the purposes of this act.

"He shall issue a like amount of United States bonds bearing $3\frac{1}{2}$ -percent interest payable semiannually, with coupons attached, and such bonds shall be due and payable in 20 years from the date of issue, subject to the right of redemption after 10 years.

"These bonds shall be deposited in the Federal Reserve banks, as the agents of the United States, in approximate proportion to their current assets at the date of the passage of this act.

"In the event that the purchasing power of the dollar in the wholesale commodity markets, as ascertained by the United States Department of Labor, shall at any time fall as much as 2 percent below the average value of the year 1926, the Federal Reserve Board, by resolution in writing, may direct the sale to the public of such portions of said bonds as may from time to time be necessary to restore the purchasing power of the dollar to the normal standard of 1926.

"Such currency received for such bonds shall be exchanged for the notes hereby authorized to be issued and they shall be returned to the Secretary of the Treasury for cancellation."

Mr. LEWIS. Under the Owen plan about \$2,000,000,000 at $3\frac{1}{2}$ percent would be put out to get the \$2,100,000,000 currency with which to pay the soldiers?

Mr. VINSON. Those bonds, Mr. Congressman, bearing interest at $3\frac{1}{2}$ percent, were placed in the Federal Reserve banks, as the agents of the United States, in approximate proportion to their current assets at the date of passage of this act, for the purpose of withdrawing this currency if and when, under the discretion of the Federal Reserve Board, the currency should be withdrawn.

Mr. LEWIS. The bonds were not to be marketed, then?

Mr. VINSON. The bonds were not to be marketed unless the inflation got out of bounds. They would bear no interest until they were marketed. The bonds were placed there as a safeguard, as the control feature of that legislation. The original amendment provided that when the 1926 level was passed, the bonds were to be issued, but the committee changed it and left it up to the discretion of the Federal Reserve Board. It thought that that would be better. Subsequent bills have gone back to the 1926 level.

THE FOURTH PATMAN BILL (FIFTH PLAN)

The fourth bill, the fifth method, was H. R. 1 of the Seventy-third Congress. It had certain control features somewhat similar to this bill. I do not know exactly wherein those features differ from the features in this bill, but Mr. PATMAN has stated that there is some difference. He dropped the use of bonds, he dropped the usual authorization, he dropped the Treasury notes, he dropped the Owen plan, and in the fifth method he provides for the withdrawal of currency that is backed up by Government securities.

"SEC. 2. (a) Payment of the face value of adjusted-service certificates under section 509 or 510 of the World War Adjusted Compensation Act, as amended, shall be made in United States

notes not bearing interest. The Secretary of the Treasury is hereby authorized and directed to issue such notes in such amount as may be required to make such payment, and of the same wording, form, size, and denominations as United States notes issued under existing law, except that the wording thereon shall conform to the provisions of this act. The Administrator of Veterans' Affairs and the Secretary of the Treasury are hereby authorized and directed jointly to prescribe rules and regulations for the delivery of such notes in payment under section 509 or 510 of the World War Adjusted Compensation Act, as amended.

"(b) United States notes issued pursuant to the provisions of this act shall be lawful money of the United States and shall be maintained at a parity of value with the standard unit of value fixed by law. Such notes shall be legal tender in payment of all debts and dues, public and private, and shall be receivable for customs, taxes, and all public dues, and when so received shall be reissued. Such notes, when held by any national banking association or Federal Reserve bank, may be counted as a part of its lawful reserve. The provisions of sections 1 and 2 of the act of March 14, 1900, as amended (U. S. C., title 31, secs. 314 and 408), and section 26 of the Federal Reserve Act, as amended (U. S. C., title 31, sec. 409), are hereby made applicable to such notes in the same manner and to the same extent as such provisions apply to United States notes.

"SEC. 3. (a) Whenever the index number of the wholesale or commodity prices rises above the index number of such prices for the years 1921 to 1929, as computed by the Bureau of Labor Statistics of the Department of Labor, notwithstanding any provisions of law to the contrary, the following methods for contracting the issues of currency in the United States shall be in force and effect, in the manner and to the extent prescribed in subsection (b) of this section:

"(1) Abolishment of the circulation privilege extended to certain bonds of the United States under the provisions of section 29 of the Federal Home Loan Bank Act, and retirement of such bonds as security for circulating notes as rapidly as practicable.

"(2) Termination of the issuance and reissuance of national bank circulating notes, and the retirement of such notes from circulation as rapidly as practicable.

"(3) Termination of the issuance and reissuance of Federal Reserve notes secured by direct obligations of the United States.

"(4) Termination of the issuance and reissuance of Federal Reserve notes secured only by gold or gold certificates.

"(5) Termination of the issuance and reissuance of Federal Reserve notes secured by notes, drafts, bills of exchange, acceptances, or bankers' acceptances which are not issued in direct benefit of commerce, industry, or agriculture.

"(b) Any such method of contracting currency issues shall be applicable when the Secretary of the Treasury finds that its application is necessary in order to maintain the index number of wholesale all commodity prices at the approximate level of the index number of such prices for the years 1921 to 1929 and issues an order setting forth such finding. Each such order shall prescribe such rules and regulations as are necessary and appropriate to carry out the provisions of this section with respect to the method of contraction made applicable in the order. The Secretary shall make such methods applicable only in the order in which they are set forth in subsection (a) of this section, but he shall make such methods applicable as rapidly as may be necessary to carry out the purposes of this section. When any such order is issued with respect to Federal Reserve notes, the Federal Reserve Board shall take such action as may be necessary to facilitate the enforcement of the order.

"SEC. 4. Section 505 (authorizing annual appropriations ending with the year 1946 for the payment of adjusted-service certificates) of the World War Adjusted Compensation Act, as amended, except that first sentence thereof, is hereby repealed. Amounts in the adjusted-service certificate fund are hereby authorized to be made available for the expenses of printing and engraving United States notes issued under this act, for paying fractional parts of a dollar which cannot be paid in United States notes issued under the provisions of this act, and for paying the principal and interest on or in respect of loans pursuant to the provisions of subsection (c) of section 509 of the World War Adjusted Compensation Act, as amended.

"SEC. 5. This act may be cited as the 'Controlled Expansion Act, 1933.'"

NO MONEY FOR BANKERS IN H. R. 3896

I want to call this to your attention, particularly to those who seem interested that bankers would not make money out of H. R. 3896. You could withdraw only \$883,000,000 of securities if his plan were adopted, because you do not have currency backed by more than \$883,000,000. When I say "Government securities" I am talking about Government long-term bonds and short-term bonds. You have sixteen and one-half billion long-term bonds, nine to nine and one-half billion Treasury notes, short-terms, and you have 2,000,000,000 bills and certificates of indebtedness. Altogether you have \$28,000,000,000 in Government securities.

I want to submit to your reason that the currency now outstanding that is backed with Government bonds or Government securities is only 3 percent of the total amount of Government securities now outstanding. You have \$28,000,000,000 of Government securities now outstanding. When you apply the figure of \$883,000,000—I think I used the figure of \$900,000,000—it figures 3 percent.

I want to say frankly that I do not know the difference between the bill that Mr. PATMAN printed in his book and this particular

bill. I know that there is a change from the mandatory provisions of H. R. 1 last time to H. R. 1 this time. I do not now recall whether it was mandatory then; I do not just now recall whether it was mandatory in the last Congress or mandatory in this Congress.

I want to say frankly that I would like to have some light upon how they are going to withdraw this currency. They may have a bookkeeping operation, they may have a credit proposition in there some way. But I want to see how they are going to withdraw \$2,000,000,000 of currency belonging to some one else without giving something for it.

NO INCREASE OF DEBT

Now, my friends of the committee, I want to make this statement, that in my judgment there is no increase in the United States debt under H. R. 3896. The adjusted pay was for personal services rendered. It goes back to the time when the services were rendered. If you will take your dollar a day or dollar and a quarter a day from the day that the services were rendered, and charge interest rates in the same manner that the Federal Government has charged interest rates to veterans, I submit that the full payment of the adjusted-service certificates is long past due.

We must admit that. If there is any question about that, all of us are thrown out of court. As it is a debt it should be paid in cash. As I see these bills, they are reformations of contracts. That is what it is, and that is not unusual. In the last Congress we reformed a contract for the railroads. We repealed the recapture clause in the Transportation Act, and we either gave back to them or forgave them \$360,000,000. We reformed contracts for war contractors and railroads to the tune of \$5,000,000,000. It is done very often. Even though the law might not be involved, when there is an inequity the Federal Government often comes in and reforms the contract. I hate to dignify this as a contract, because it certainly was an *ex parte* one if it was a contract. The soldier never agreed to take the nontransferable, nonnegotiable I O U dated 20 years after 1925, or 27 years after the services were rendered, until the legislation had been enacted. He was not a party to its enactment.

But the fact is that there was an evidence of the debt in the nature of a receipt showing the amount that the Federal Government recognized to be due the soldier.

Now, what happens? They set up a sinking fund. They were supposed to pay in enough money so that on January 1, 1945, these various annual sums, together with the accumulation of interest compounded annually, would be the face value of the certificates on January 1, 1945. We have 10 more years to go now. My notion is that the fund is in arrears. If it is not, they have been making money off the veterans in their loan transactions, because for the past 3 years they have not placed that sum which seemingly they agreed upon, \$112,000,000 annually, into this sinking fund. Upon two occasions, as I recall it, the annual payment into the sinking fund, an appropriation, was \$50,000,000 instead of \$112,000,000; and one year it was \$100,000,000 instead of \$112,000,000. That makes \$136,000,000 shy in that sinking fund. No honest man will charge that up against the soldier, because that is going to have to be paid whether H. R. 3896 passes or H. R. 1 or H. R. anything. In other words, Uncle Sam has a tremendous sum of money to expend in order to pay off these cash certificates on January 1, 1945; there can be no doubt about that. People talk about the fact that it is going to cost a lot of money down. It is going to cost money down, but it is going to cost more money if we do nothing now.

If we continue the sinking-fund payments, \$112,000,000 a year for the next 10 years, I submit to your reason and to your intelligence, whether that sum together with the interest that has compounded on veterans' loans through the years should not be enough on January 1, 1945, to pay off the face value of the certificates. It is going to cost \$1,120,000,000 to make those payments into the sinking fund. I am told by gentlemen who have figured it that the 10 payments of \$112,000,000, with interest compounded annually, will reach a sum of \$1,350,000,000. We are told that it is going to require \$2,000,000,000 to pay off these adjusted-service certificates now. There is some question about that, whether it is two billion or whether it is one billion, eight hundred million. My computation is that the face value of the certificates was three and five-tenths billions. We have loaned one and seven-tenths billions. That would leave one and eight-tenths billions that would be paid. With your sinking-fund payments compounding interest annually, you have one billion, three hundred and fifty thousand without any extra cost to the taxpayer.

As Dr. Crother said this morning, there is no need to go on here and say it is going to cost \$2,000,000,000—that you are going to have to raise in taxes \$2,000,000,000 because our governmental financing is not done that way. We did not finance the \$3,300,000,000 for the National Industrial Recovery Act that way. As pointed out by him, the sinking-fund charge was \$273,000,000 a year. That \$3,300,000,000 would have thus been amortized at the due date of the bond, with the annual payment.

This is a controversial question, but I submit to every member on this committee, regardless of what bill he supports, that if he thinks in his heart of hearts that the Federal Government on January 1, 1945, if no legislation intervenes, is going to ask the pound of flesh and collect the interest compounded annually against the veteran, and thereby eat up the other 50 percent of his certificate. Cold-bloodedly, you might say that they could do it, because when they took money out of the sinking fund here and lent it to the veterans it stopped the earnings of the sinking fund to that extent. But I do not believe there is a single Mem-

ber in either branch of this Congress that believes for a split second that that will be permitted to be done.

We were told in 1932 by General Hines that counting interest at 4.5 percent compounded annually, it would cost \$1,016,000,000 to do that very thing. In other words, if interests on veterans' loans are canceled at any time before January 1, 1945, it costs the taxpayers a billion dollars.

The Federal Government has to go out and get that money. It has to go out and get the billion one hundred and twenty millions that grows to be the \$2,350,000,000 on January 1, 1945. If you assume that the interest on the veterans' loans will be canceled, I do not see how you can escape the fact that it is going to be necessary to raise in taxation more than \$2,120,000,000 to pay off the certificates on January 1, 1945. There has been accumulated interest against the veterans' certificates totaling \$229,000,000. The earnings on the \$112,000,000 sinking-fund payment is practically the same sum. One will balance off the other. The \$775,000,000 figure—the difference between \$1,000,000,000 and \$229,000,000 already accumulated—plus \$1,120,000,000 makes practically \$1,900,000,000. According to Veterans' Bureau figures, that would be rather close to the sum necessary to pay off the certificates now.

There is one further item that must be reckoned with, and that is carrying charges of the \$2,000,000,000. For a 9½-year period, at the present interest rates, it would be approximately \$527,000,000. I am unable to state what percentage of the total amount paid at this time would go to needy veterans on relief, or what could be saved from relief expenditures. If you would figure 20 percent of the total expenditure, it would be \$400,000,000; 25 percent, \$500,000,000.

I am going to say to you that, in my judgment, the net cost of the payment of these adjusted-service certificates, assuming that this interest would be forgiven, would be less than nothing, because you want to keep in mind that they are going to have to raise a billion dollars if they ask the pound of flesh.

There were several items I wanted to discuss, but will control the balance of my time. I believe that H. R. 3896 is the strongest vehicle to secure the cash payment of adjusted-service certificates; I believe that it will pass the House; that it will pass the Senate; that it is less objectionable than a bill providing inflation and therefore has a better chance to override a veto, if any.

Mr. FULLER. What would be your reaction to taking \$2,000,000,000 out of the \$4,000,000,000 appropriation for relief and paying the bonus?

Mr. VINSON. You mean to take \$2,000,000,000 off the \$4,800,000,000 work-relief bill?

Mr. FULLER. Yes.

Mr. VINSON. Of course, the gentleman knows that that bill is now in the Senate.

Mr. FULLER. I know it. I said in the event that it passed.

Mr. VINSON. If the Senate could secure that character of amendment, and it would come to the House, I would be very happy to support that bill with the amendment, just as I supported the work-relief bill as it passed the House, without having any fears whatever with reference to where we would get the money.

There is this further thought in regard to the added cost in increasing the debt. If we agree that the debt is past due, the carrying charges upon that obligation is not an increased debt. Take any public buildings, any public works, Boulder Dam, or anything else, and you do not count carrying charges as part of cost.

Mr. HILL. I do not think there is any point in it, but there has been quite a bit said here about not increasing the debt. It seems to me, just to clarify the record, it might be well to define what you mean by "debt" in relation to these outstanding certificates. Do you mean the indebtedness as evidenced now by the certificates, or do you mean what is really and actually owed to the ex-service man on the basis of a dollar and a dollar and a quarter a day?

Mr. VINSON. I agree with the gentleman that I do not think there is any point in it. I think it is a tempest in a teapot, in respect of the interpretation of the Miami resolution, because we all agree that the face value of the certificates is a debt, and that it is past due. There is no man in Congress that can make a stronger argument in regard to that than my friend, PATMAN. That is a debt, and it is past due and payable.

Mr. HILL. According to the terms of the certificates it is not past due.

Mr. VINSON. I know. I am talking about the right. The mere fact that the Sixty-eighth Congress in a moment of weakness—and I was here, I voted for it; I had not been here very long, but I summoned up enough courage, though my knees buckled a little, to get up and in a weak voice protest against this character of payment. I said then that I thought the veterans ought to be paid in cash.

But if you remember, it came in under suspension of the rules. It did not permit of amendment in the House. You voted for it, or against it. The mere fact that Congress in 1924 committed error in the payment of the veteran should not stop him from going behind that receipt.

There is a principle of law that I know prevails in my State, and I think it is of general application, that if you give me a receipt for a debt and mark it "Paid in full", when, as a matter of fact, I have not paid you in full, you can, within the statute of limitations, go behind that receipt. That is the law in Kentucky, because they say that there is no consideration passing from me to you to wipe out—to liquidate that part of your debt that is not paid.

Mr. HILL. That is what I wanted to get at.

Mr. VINSON. That is the purpose here. The mere fact that soldiers were given a receipt compulsorily—of course, they were not compelled to apply for it, but they either took that or did not get anything—in all fairness, I think Congress has the right and it is their duty, and that is why I have been for the cash payment of the bonus, to go behind that receipt and do the fair, honest thing to the soldiery of this country.

Mr. HILL. That is what you mean by the "debt" when that term is used here? You mean that indebtedness which was due them at that time?

Mr. VINSON. Yes.

Mr. HILL. Regardless of what the Congress did or the manner of their doing it?

Mr. VINSON. Yes, sir. I say that this is a re-formation of the contract, and that in the re-forming of it this Congress is going to do the fair thing by the defenders of the flag.

Mr. McCORMACK. Mr. VINSON, do you still favor the Owen plan?

Mr. VINSON. I would prefer not to answer you, Mr. McCORMACK.

Mr. McCORMACK. I am asking your personal opinion.

Mr. VINSON. I want to answer it that we have had tests with reference to the payment of the adjusted-service certificates here changing the monetary system of the United States, and I feel deeply, just as sincerely as I can, that the regular way of payment is the strong vehicle to use.

Mr. McCORMACK. Do you still favor the Owen plan?

Mr. VINSON. I would prefer to answer that when it will be presented.

Mr. McCORMACK. You did favor it before?

Mr. VINSON. I certainly did, sincerely and wholeheartedly. I could say to the gentleman—and I have reasons for not giving you my personal views now, because they might be misinterpreted—

Mr. McCORMACK. I will not ask for them.

Mr. VINSON. I have introduced the Legion bill, and my personal views might be misconstrued. But I would say to the gentleman since the Owen plan was passed through the House, we have had serious, marked changes in our financial structure. We went off the gold standard. We have devaluated the gold dollar in the Thomas amendment to the A. A. A., three billions in Treasury notes, money of the character set forth in H. R. 1. The President has permission to use \$3,000,000,000 of this character of Treasury notes. We have the power to use \$1,800,000,000 of silver certificates under the permissive power of the Dies bill. And I would say to the gentleman from Massachusetts, whom I know to be a very distinguished Member of this body, that even though with my heart and soul I supported the Owen plan, as did the gentleman, I shudder to think, if that law had been placed upon the books and the soldiers had been paid in Treasury notes, of the burden that would have been placed upon their backs when the banks closed in February and March of 1933. That would have been a burden from which we could never have escaped. Not only would it have taken the lifetime of the soldiers to dig out from under that burden, but it would have taken the lifetime of their children and their children's children. When we came here to Congress for veterans' legislation, we would have been met with the thought that an inflationary proposition which I then thought to be sound, had precipitated that condition. Of course, we would have known that it did not have any more to do with the situation than the charge against Cleveland back there in the 1892 panic, but at the same time, it would have been a difficult matter to explain.

Mr. McCORMACK. So that shudder does not have to exist now?

Mr. VINSON. No, sir.

We have gone a long ways. I think the change in the monetary system has been quite helpful. I agreed with the gentleman that there was no sanctity in respect of the gold standard. We were told in whispers that if we went off the gold standard we would "go to the bow-wows." I did not agree that that would be the situation. But I want to say this to the gentleman, that under the Thomas amendment—and I want the gentlemen who are inflationists or who have that tendency to get this point—under the Thomas amendment to the Agricultural Adjustment Act, carrying the authority to issue \$3,000,000,000 in currency, while that was limited to the redemption of interest-bearing securities there would be no trouble if the exercise of that power were desired, if you wanted to use that power to pay this bonus. You could take the \$3,000,000,000 in Treasury notes and withdraw your interest-bearing securities, and then you would have \$3,000,000,000 less Government securities outstanding. The Secretary of the Treasury has the power now to issue \$2,000,000,000 more of possibly short-term obligations to pay this bonus debt of the Government.

Mr. McCORMACK. You have no fear of a controlled expansion of the currency along the lines of the Owen plan, have you?

Mr. VINSON. If the gentleman would permit, I would rather defer that to another time.

Mr. McCORMACK. I know you will convey to us your state of mind. How is the bill going to be paid, assuming the bill became law? How did you intend personally to provide? What are you going to advocate to the Congress as to how this is going to be paid?

Mr. VINSON. Of course, the gentleman knows that it is not the function of any Member of the House even to tell Congress how it shall be done.

Mr. McCORMACK. Naturally we look to you for advice.

Mr. VINSON. I appreciate that, and I trust that you will be good enough to look in my direction in the consideration of this bill.

Mr. McCORMACK. I invariably follow you, but sometimes the best of friends must part.

Mr. VINSON. I will answer your question. In the first place, a member of this committee or a Member of the House—

Mr. McCORMACK. Do not misunderstand me; I am not interrogating you—

Mr. VINSON. That is all right. I am very glad you called that to my attention. I had forgotten it. We provide the authority in legislation and the direction in appropriations. The executive branch of the Government will have the responsibility of financing this. They may say to us, "Provide a sinking fund with which to pay this \$2,000,000,000." If we did, we would have to add to the \$112,000,000 that we are paying into the sinking fund now; and when we come down to the time that they would cancel interest, they would say, "Provide us the money for the cancellation of the interest." That would be another billion. In other words, we would have to raise that money anyhow.

But it does not have to be done that way. There are other methods; the issue of short-term securities that do not have the circulating privilege or the floating of a long-term issue.

Mr. McCORMACK. Do we not have to provide for that?

Mr. VINSON. No; we have the authority. That refinancing bill that we passed in the early days of Congress gives the power to the Secretary of the Treasury to do that.

Mr. McCORMACK. Do you not think that the Secretary of the Treasury to exercise that power would want a direction from Congress?

Mr. VINSON. Oh, I do not think so at all.

Mr. McCORMACK. Do you not think that in a bill of that kind the executive branch of the Government would expect the legislative branch, if there was going to be a bond issue, to provide for the bond issue?

Mr. VINSON. In my experience here, we generally hear from the executive branch on that subject.

Mr. COOPER. That executive branch did not request the legislative branch to give any instructions or directions about the \$4,880,000,000?

Mr. VINSON. That is correct.

Mr. McCORMACK. But of the \$4,880,000,000, \$880,000,000 we take from other allocated funds, do we not?

Mr. VINSON. Oh, no. That is a new appropriation. That is the \$4,880,000,000 that must be raised somewhere.

Mr. McCORMACK. But \$4,000,000,000 by the sale of bonds and eight hundred million—

Mr. VINSON. No; it is not in the bill.

Mr. COOPER. There is nothing said about it.

Mr. McCORMACK. In the Public Works bill?

Mr. VINSON. No, sir.

Mr. McCORMACK. You mean the \$4,800,000,000.

Mr. VINSON. It does not say how you shall provide the money. I think the trouble about the discussion here in regard to providing money is that it is misconstrued. Yet, in fact, the monetary section of the Patman bill is not a question of providing money but a question of changing the monetary system. In addition thereto, it will provide the money.

Mr. COOPER. The gentleman will recall that the \$4,880,000,000 was reported by the Appropriations Committee of the House.

Mr. VINSON. That is correct; and it is a straight-out appropriation.

Mr. McCORMACK. We passed a special rule authorizing it.

Mr. VINSON. I want to continue my answer to my friend in regard to how this money could be raised.

We provided in the bill that passed Congress and was signed by the President to increase the authority of the Secretary of the Treasury in refinancing obligations to sell baby bonds. Those baby bonds will be sold at a discount rate. They have been out for 2 or 3 days, and the press said that they are going over in splendid fashion.

On those bonds the money is coming into the Treasury. I have never heard anybody complain about the interest charge on those bonds. Further, the money situation is in splendid condition when we can float \$2,300,000,000 in Government bonds at this time at the rate of 2½ percent per annum. When that happens you have to say that the money status is in very splendid condition.

Mr. McCORMACK. Suppose the executive branch fails to make a recommendation. What action would you take then?

Mr. VINSON. It is not necessary for them to make a recommendation. They have the power under existing law.

Mr. McCORMACK. Suppose they do not exercise the power?

Mr. VINSON. I cannot conceive that, Mr. McCORMACK. I want to say, in regard to that, that at no time in the history of this country, so far as I know, since I have been here, have I ever heard of it. Yesterday I asked some gentleman if he had ever seen anyone that had ever seen anyone that knew about it; but if we pass the authorization and the appropriation, I cannot conceive of the Secretary of the Treasury not making recommendations or not getting the money.

Mr. McCORMACK. Suppose they make a recommendation for the payment of the full amount that is remaining, and then they recommend the Congress raise it by taxes. What would you do then?

Mr. VINSON. You are going to have to raise \$112,000,000 annually, anyway, for the sinking fund. You understand that is not added cost.

Mr. McCORMACK. I know.

Mr. VINSON. If you have thirty-five or forty or fifty million dollars a year added to that, you are going to save money, because

it is going to cost us a billion dollars to cancel the interest on the loans already made.

Mr. McCORMACK. Who is going to pay for that?

Mr. VINSON. The taxpayers of this country will pay that billion dollars. The taxpayers will pay that \$1,120,000,000 that goes into the sinking fund. You cannot get something for nothing.

Mr. McCORMACK. Suppose they ask us to raise that \$2,000,000,000 and a little over by taxes as a means of complying with the provisions of your bill; what would you do then?

Mr. VINSON. I have tried to say to the gentleman that I would continue the sinking-fund payments that have been made for years, \$112,000,000 a year that was paid into the sinking fund, with compound interest at 3.5 or 4 percent, whatever it is. That will be a larger sum in 1945, about \$1,350,000,000. Then there is the credit against the \$2,000,000,000 or \$1,800,000,000 for cash payment now of the moneys that would be saved from relief appropriations. Your guess is as good as mine as to how much would be saved, but in my opinion 20 percent is a most conservative sum, and 20 percent of \$2,000,000,000 is \$400,000,000, which is a right sizable sum.

Mr. McCORMACK. Your bill is going to go through the hurdle of a possible veto, and assuming a veto, a two-thirds vote of both branches. That is true, is it not?

Mr. VINSON. Yes.

Mr. McCORMACK. Then we have to go ahead and have a supplementary action by Congress in all probability.

Mr. VINSON. We will have to do that with the Patman bill, too. I do not know whether the gentleman was here when I started my remarks.

Mr. McCORMACK. Yes. The Patman bill calls for a limited appropriation. It does not call for—

Mr. VINSON. Oh, you have to go through the same course—the same procedure.

Mr. McCORMACK. We do not have to go through the same course with reference to the issuance of new currency in the Patman bill.

Mr. VINSON. There is a question there as to whether or not you have to have an appropriation for that.

Mr. McCORMACK. I know, but the appropriation is only a minor amount in that case.

Mr. VINSON. I am not talking about the expense of printing. I do not even know whether you have to appropriate that. They may have the power now to pay the expense of printing. I was not talking about that. I was talking about paying loans, and the two other items heretofore referred to.

Mr. McCORMACK. Assuming the appropriation is put up by the Congress, we have to make the appropriation, and if the President would veto it, we would have to come back and pass it over his veto.

Mr. VINSON. Yes; just as you would if you had an appropriation bill for H. R. 1. If the Patman bill goes through and the President vetoes it, you would have to pass it over the veto; you would have to pass that appropriation bill, and if it went through and the President vetoed it, you would have to pass it over the veto.

Mr. McCORMACK. Your only appropriation necessary on the Patman bill is those appropriations incidental to carrying out the major purposes of the act. There is no necessity for new legislation. We will assume the Owen plan is in there, calling for the issuance of controlled currency. There would be no necessity for the issuance of bonds, would there?

Mr. VINSON. If the gentleman will look at section 4, you will see that is for paying money on loans.

Mr. McCORMACK. That is only a minor amount.

Mr. VINSON. I could not tell you how much it is.

Mr. McCORMACK. I agree there will have to be some additional appropriation.

Mr. VINSON. Of course, my remarks were directed to the statement that H. R. 3896 was a double curve. I never was a pitcher. I played short stop, if the gentleman will remember; and I leave it to my fellows, as to whether I throw double curves.

Mr. HILL. The gentleman talked about his plan for financing this proposition. It provides for a sinking fund?

Mr. VINSON. No. I am saying, let the old plan continue.

Mr. HILL. You add to that, then, and provide a sinking fund to retire the \$2,000,000,000.

Mr. VINSON. I say that is one way it could be done. I am not suggesting that.

Mr. HILL. Of course, that would contemplate the issuance of bonds to raise the money for the immediate payment of the adjusted-service certificates?

Mr. VINSON. Yes. Now, I want the gentleman to understand I am not suggesting that. I was asked how it could be done, and I have given about four sources from which you can get the money.

Mr. HILL. I would like to ask you what other way it can be done under your bill?

Mr. VINSON. What about baby bonds?

Mr. HILL. It is estimated that they will probably bring in \$300,000,000.

Mr. VINSON. Let us assume that the interest and demand for the payment of the cash bonus is as wide-spread as we have been told, that small merchants and small business men throughout the country desire to be paid debts owing them. The veterans desire it to be paid. If you would have a sales organization of all the veterans affected, the wives of all veterans affected, the friends of veterans affected, and possibly creditors of veterans affected,

we can visualize that you might be able to finance it in whole out of the sale of baby bonds.

Mr. HILL. That would be bonds, though.

Mr. VINSON. Well, that is baby bonds.

Mr. HILL. But it is bonds.

Mr. VINSON. That is not bonds that have the circulation privilege. That is not bonds that will permit bankers to clip these coupons.

Mr. HILL. No; you are right about that.

Mr. VINSON. That is right.

I want to ask this question of my friend: What do you call the currency that is issued under the Patman bill? Is that an obligation of the Federal Government?

Mr. HILL. Certainly.

Mr. VINSON. If it is an obligation of the Federal Government, will it not have to be paid or redeemed sometime, or will you in some subsequent day issue some more of these Treasury notes to redeem those?

Mr. HILL. It is noninterest bearing. It is an obligation of the Government. It is a promise to pay.

Mr. VINSON. It certainly is an obligation of the Government.

Mr. HILL. But noninterest bearing.

Mr. VINSON. That is right.

Mr. HILL. That is all.

Mr. CROWTHER. The gentleman from Kentucky made reference to the error that the committee made when they wrote this bill.

Mr. VINSON. I was saying Congress.

Mr. CROWTHER. There are only two members now who were on that committee, Mr. TREADWAY and myself. We nearly had a personal encounter during the writing of that bill. So you can imagine that we had a pretty difficult time.

Mr. VINSON. I do not doubt that; we generally do.

Mr. CROWTHER. You remember we had about a fivefold plan, to build houses, to give them land, cash, and vocational training.

Mr. VINSON. That was in the Sixty-seventh Congress that such bill came out. The present certificates were authorized in the Sixty-eighth Congress.

Mr. CROWTHER. Yes. And after a long series of hearings it was finally agreed to by the representatives of all the soldiers' organizations and everybody interested that the 20-year certificate was probably the best thing that we could do.

Mr. VINSON. I think that your statement is correct, that it was thought to be the best thing that could be done. And may I say this to the gentleman: I am glad that he has referred to that.

Mr. CROWTHER. I interrupt you just to say this: That in one of those sessions—it is years ago now, so we can say what happened in executive session—I introduced an amendment to pay that bonus in cash. It was defeated. There were 14 of my party against me, and the 10 Democrats voted with me. It was defeated, 14 to 11. If the gentlemen had followed me at that time, we would have saved nearly a billion dollars, and had this thing behind us all these years.

Mr. VINSON. In regard to what Dr. CROWTHER says, if you please. I want to make this statement to the gentlemen who were Members of the House at that time, if this was not the thought of the Membership of the House as well as the committee—that is, I will exclude the committee, or the members of it who were on it at that time.

Mr. CROWTHER. Well, we were responsible.

Mr. VINSON. But was it not the thought of those of us who favored the payment in cash that if we would pass the Adjusted Certificates Act, in a subsequent Congress we could amend that act and secure cash payment? Was not that the thought that was in the minds of many of us at that time? I am certainly thinking it was in my mind, the desire and the hope that in some subsequent Congress we could get cash for the veteran in his lifetime. This money is for personal services rendered. The man who earned it is entitled to spend it. If you wait until 1945, I submit, there are going to be several more thousands of the boys who will not have the opportunity to spend the money.

Mr. LEWIS. When you are done, I want to ask some questions of the representative of the Veterans' Administration who is said to be here.

The CHAIRMAN. Is anyone here representing the Veterans' Administration?

Mr. PATMAN. Mr. Chairman, may I ask you a question? I know the committee wants the correct information if there has been any dispute. If the gentleman has some additional time remaining, may I at this time respectfully take issue with him on certain things, not to create any dispute or quarrel at all, but just to give the correct information to the committee?

The CHAIRMAN. We have waited too long to get into a joint debate here, and it is unfair to the other men. However, if there is time later on, you may make a statement.

Mr. PATMAN. You mean later on?

The CHAIRMAN. If you are here and are ready to go on before we close the hearing.

Mr. PATMAN. Very well.

Mr. VINSON. I want to express my appreciation for the opportunity of talking to my colleagues. I want to express deep appreciation for the consideration that has been given the bills that have been discussed. It is nothing more, of course, than we could expect.

Mr. LEWIS. Now, Mr. Chairman, I understand a representative of the Veterans' Administration is present.

The CHAIRMAN. If he is present, he will please stand up and come forward.

PRESIDENT ROOSEVELT MAKES STATEMENT ON ALLEGATIONS HE IS DESCENDED FROM JEWS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter received by Philip Slomovitz from the President of the United States, and a very brief comment on the letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letters of President Roosevelt, one of Philip Slomovitz, and comments:

IN LETTER TO EDITOR OF THE CHRONICLE HE STATES HE IS MORE INTERESTED THAT THEY SHOULD HAVE BEEN GOOD CITIZENS AND BELIEVERS IN GOD

In a simple statement addressed to the editor of the Detroit Jewish Chronicle, President Roosevelt this week administered a rebuke to those who circulate propaganda about his Jewishness, and at the same time sounded a plea for tolerance.

President Roosevelt's statement, addressed to Philip Slomovitz, came in response to the editor's request for an explanation of propaganda circulated about the President's Jewishness, especially by a group of his antagonists who are out to make capital against our Chief Executive by charging that Jews and Roman Catholics have gained control of this country under the leadership of Mr. Roosevelt.

President Roosevelt's letter follows:

THE WHITE HOUSE,
Washington, March 7, 1935.

PHILIP SLOMOVITZ, Esq.,
Editor The Detroit Jewish Chronicle,
525 Woodward Avenue, Detroit, Mich.

MY DEAR MR. SLOMOVITZ: I am grateful to you for your interesting letter of March 4. I have no idea as to the source of the story which you say came from my old friend, Chase Osborn. All I know about the origin of the Roosevelt family in this country is that all branches bearing the name are apparently descended from Claes Martenssen Van Roosevelt, who came from Holland sometime before 1648—even the year is uncertain. Where he came from in Holland I do not know, nor do I know who his parents were. There was a family of the same name on one of the Dutch islands and some of the same name living in Holland as lately as 30 or 40 years ago, but, frankly, I have never had either the time or the inclination to try to establish the line on the other side of the ocean before they came over here, nearly 300 years ago.

In the dim distant past they may have been Jews or Catholics or Protestants—what I am more interested in is whether they were good citizens and believers in God—I hope they were both.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

President Roosevelt's letter came in response to the following letter:

MARCH 4, 1935.

HIS EXCELLENCY FRANKLIN D. ROOSEVELT,
President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: I believe you will be interested in an article which appeared in a Michigan publication called "Civic Echo" under the heading "Michigan Governor Explains Roosevelt's Jewish Ancestry." The article reads:

"Mr. Chase S. Osborn, former Governor of Michigan, was a recent visitor to St. Petersburg, Fla. In a newspaper interview, he expressed his opinions concerning the revolutionary policies of the present administration in Washington. Among other things he described in detail the alleged Jewish ancestry of Franklin Delano Roosevelt. The statement appearing in the press is as follows:

"Although a Republican the former Governor has a sincere regard for President Roosevelt and his policies. He referred to the 'Jewish ancestry' of the President, explaining how he is a descendant of the Rossacampo family expelled from Spain in 1620. Seeking safety in Germany, Holland, and other countries, members of the family, he said, changed their name to Rosenberg, Rosenbau, Rosenblum, Rosenvelt, and Rosenthal.

"The Rosenvelts in north Holland finally became Roosevelt, soon becoming apostates with the first generation and others following suit, until in the fourth generation, a little storekeeper by the name of Jacobus Roosevelt was the only one who remained true to his Jewish faith."

It so happens that this is not the first time that we have seen your name coupled with the Jews, especially in the efforts of anti-Semites to label you as a tool of Jews and Catholics. However, it occurs to me that you may be interested in the above-quoted statement particularly in view of the fact that an eminent Michigan leader and former Governor has seen fit to find that your ancestry was Jewish.

It is with a sense of considerable regret that I must comment that we have grave doubts as to whether we may hope to feel so deeply honored with the truth of your lineage as traced by former Governor Osborn.

However, there is always a chance that there is an honor in store for us somewhere, even though unexpected. I am therefore just wondering a bit whether your family records or albums

somewhere lend affirmation or denial to these fantastic stories. Perhaps you will be able to find occasion some day to make your own comment on this story.

Faithfully and cordially yours,

PHILIP SLOMOVITZ, Editor.

PREVIOUS ALLEGATIONS

The editor of the Chronicle had occasion previously to comment on allegations that President Roosevelt is descended from Jews. Under the heading "We are in good company", the following editorial appeared in our issue of September 28, 1934:

"An interesting and kind reader sends us a clipping from the Rail Splitter, of Milan, Ill., which we take great pleasure in reprinting herewith:

President Turns United States Treasury Over to Jews

"The American people were astonished to read in their daily newspapers recently of the resignation of Woodin as Treasurer of the United States and the immediate appointment of Henry Morgenthau, Jr. Those who are familiar with the Jewish tie-up of President Roosevelt are not surprised at the appointment. The Jews and the Roman Catholics are in control of this country today. The Gentile Protestant people who helped put this twin evil upon themselves by voting for a 'change' are responsible. They have done themselves irreparable harm which will take years to undo, if ever. The depression, brought about by Jewish financiers, has accomplished the results they planned for. The depression worked such a change on the public mind that it unwittingly played into these Jewish hands and has put them into supreme power in this country. Now they have control of the United States Treasury, our system of Jewry is complete. The Jews run business; we pay money over to them for things we need; we work under them for miserable wages, and now the President has turned the Treasury of the Government over to them. Now their scheme of skinning the Gentiles is complete. Next thing to do is to tax them to death. We thought Mellon bad enough, but a Jew is a thousand times worse. If the people do not rise up and put these political pirates out of office within the next few years, this country will go down in financial ruin. We are allowing the Jewish financial suckers to suck up our national life and leave us in starvation and poverty. They have put more than 16,000,000 upon the relief rolls within the last few years. Shall we allow them to put the rest of us there, too?"

"Our reader and contributor asks us what we think about this outburst and we take pride in informing him that we now, more than ever, are convinced that we are in pretty good company.

"Franklin D. Roosevelt is not such a bad fellow to be associated with. Even his most rabid 'Protestant critics' credit him with being a very sincere man who is making an honest effort to solve the country's problems.

"Even if we are maliciously grouped together with the Catholics, we believe it will generally be granted that there are some mighty nice people among the Catholics. Here again, therefore, we are also in pretty good company.

"And there are Protestants without number in the Roosevelt official family and among his lay supporters who are not bad people.

"We do not have to apologize for such an illustrious fraternity, do we?"

"And as for Jews and Catholics being 'in control of this country today', it is only necessary for us to remind the poor and misinformed chap who wrote the drivel referred to that the Protestants are still in the majority in the United States and that they elected President Roosevelt.

"Our readers need not be alarmed. We are in pretty good company and together with those we are classed in so horrifying a manner we shall no doubt be attacked time and again. But poor bigots must have their say. Let them. As long as we are not singled out as the only destroyers of society, and as long as the President and the Catholics are branded as our allies, the good citizens will only laugh at such tommyrot."

THE PROBLEM OF TRANSPORTATION

Mrs. JENCKES of Indiana. Mr. Speaker, I ask unanimous consent to have printed in the RECORD some valuable information which is contained in the address of the Honorable Milton W. Harrison, president of the Security Owners' Association, before the Minneapolis (Minn.) Traffic Club on February 28, 1935.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mrs. JENCKES of Indiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address of Hon. Milton W. Harrison, President of the Security Owners' Association, New York City, which was delivered before the Minneapolis Traffic Club, Minneapolis, Minn., on February 28, 1935.

The information contained in this address will no doubt be of great interest to the Members of the House of Representatives.

Gentlemen, in the problem of transportation are included not only the railways, but their present-day competitors: the motor truck, the boat, and the airplane.

Long before national planning and economic regimentation under a governmental general staff had achieved their present fashionable vogue, two decades ago the Wisconsin idea, as it was then called, spread roseate promises of a new day across the political horizons. The new deal is its lineal descendant; both conceive the State not as a servant of its citizens, but as their master.

We have seen the disillusionment which must inevitably follow all attempts to create a millennium of universal prosperity in defiance of economic law. Consider, for example, how far during the last year we have moved forward in the philosophy of State control for all economic enterprise. Consider, also, that special groups—whether they be farmers, manufacturers, war veterans, or organized labor—once accustomed to subsidy from the Federal Treasury, do not freely give up such benefits. The necessity which may have brought about governmental aid passes, but unfortunately efforts to continue it then become the mainspring for all political activity, from which emerge group and sectional alliances aimed at the preservation of such special privileges.

We are not so much concerned with where the boundary line shall rest as between public and private property rights as we are concerned that the line of demarcation itself be preserved. It is not a matter of distance either to the right or left, but principle that is the immediate issue.

We are witnessing an extension of the doctrine of public interest to cover and include the most intimate details of business activity. The area of freedom for individual enterprise is progressively circumscribed until the danger becomes so very real that finally it will be lost altogether. Individual initiative, which has been America's most outstanding characteristic and contribution to progress, cannot thrive or even survive under a system of State permits, licenses, and letters of marque issued to powerful minorities.

When public policy requires publication of income-tax returns, salaries for business executives, and whether or not they have bought or sold securities on the exchanges, the implication becomes clear, does it not, that the right to such income, or to so trade, may itself in time be questioned or limited by the State?

Indeed, railroad salaries already have been challenged. Whether such officials receive too much or too little is beside the point; the issue is this attempt of the State and the political party in power to set up arbitrary quantitative, not qualitative, evaluations between its citizens. Once such a principle is recognized, not only does there follow an invasion of the field of personal liberties but the whole profit motive as the actuating force in industry is under attack, regardless of the lip service given by public officials in its behalf. When the limiting safeguards on State authority are removed, business becomes subject inevitably to ruthless political exploitation.

The question may well be asked: What has all this to do with the railroads and their possible imminent financial insolvency? The pattern of regulation that I have described has been developing for nearly 50 years in connection with American railroads. The results achieved in that field serve as an object lesson for earnest consideration by all business men. After they have examined the model, let them then decide whether they wish such a strait-jacket imposed upon all industry.

Having been progressively subjected to governmental control for nearly 5 decades, it might reasonably be expected that the position of the railroads would be superior to other businesses which have not been subjected to the fostering care of Government. I leave it to you to judge the facts.

You must not assume from this statement that I am advocating any return to *laissez faire* or any system of economic anarchy. I am not attacking the principles of fair regulation or public determination of those policies which govern and advance the Nation's future economic development. In such matters we have had too little planning rather than too much. What I do challenge is a purely negative type of regulation and those restrictive controls which, long before the depression started, had begun the undermining of railroad credit. For, if such controls are not reversed, Government ownership, as Coordinator Eastman suggests, may be the only remaining alternative.

When one examines the complicated and rigid administrative system established by the Interstate Commerce Commission, wonder grows that railroad progress takes place at all. The average case brought before this tribunal, with its 1,500 employees, requires nearly a year to reach a decision, technicalities of presentation necessitates a special bar of legal experts who must qualify for practice as before the Federal courts.

Under what the Federal Coordinator has described as a "hybrid arrangement", the Commission and Congress exercise power of economic life or death over the railroads. Yet at the same time they accept no responsibility whatever toward investors for the financial results that may flow from their acts. However great might be the financial needs of the carriers, no administration responsible for the appointment of Commissioners has desired to assume on its own motion the liabilities attached to any upward revision of rates. Early it became apparent that regulation, insofar as it might be expected to maintain that proper equilibrium between railroad income and expense, was a one-way policy.

There is another phase to this question of Government control of industry no less menacing in its implications. I refer to the growing tendency for special groups or blocs, through politi-

cal domination, to force from Congress legislation that places group purposes over and above the national interest. Here, again, the railroads have had an experience that deserves serious consideration and study.

Ever since 1916, the railroad labor unions, through their apparent control of more than a million and a half member voters, concentrated for the most part in strategic Congressional districts, have exercised an increasing influence in the national legislature. Through the passage first of the Adamson Act, next the railroad labor and related acts, and finally last year the Railroad Retirement Act—not to dwell on the famous section 7-B of the Emergency Transportation Act—they have succeeded in nullifying the regulatory authority of both the Interstate Commerce Commission and the Federal Coordinator in relation to employment and economies.

To illustrate, in passing, the completeness of this domination, it should be noted that in the Senate not a single vote was recorded against the Retirement bill, although its effect, once the President's signature was affixed, was to add a total of almost \$3,000,000,000 of past accrued liabilities to railroad balance sheets. The lower court has held this Act to be unconstitutional.

These measures were undertaken ostensibly—as such measures always are—to provide further employment for railroad workers. But what were the actual results? The railroads, unable to absorb an increased labor unit cost, concentrated their energies in developing new operating efficiencies and economies. It was the only way they could save themselves. Although the rate of compensation rose and the percentage of wages to operating revenues increased, the number of employees has steadily declined. This, together with the effect of the depression, has reduced working forces from 1,822,000 in 1926 to 990,000 in 1934.

No one questions railroad labor's right to a high wage commensurate with the skill required or what revenues are able to bear. But such a proposition is quite different from utilizing the power of the State, through organized political pressure, to exact tribute over and beyond the capacity of the railroads to pay, when such acts unbalance and endanger the whole existing economy.

But the unions are not yet satisfied. Having negotiated successfully a restoration of the 1932 pay cut of 10 percent, which adds nearly \$175,000,000 per year to railroad-operating expense, they now come forward with additional legislative demands. Let me mention briefly the railroad labor bills recently introduced in the Congress: The 6-hour day, limiting train length, hours-of-service bill, liability for employee injuries, and the full-crew bill.

When politics is injected into the relations between management and labor, there can be only one outcome. Cooperation in the solution of common problems becomes virtually impossible; antagonism and distrust replace that harmony and understanding which should prevail among men who spend practically their entire lives shoulder to shoulder in the same enterprise.

For the situation that has developed on the railroads, management must accept its share of responsibility. The autocratic tradition, understandable in an industry which must maintain almost military discipline in order to move trains on split-second schedules, has outlived its usefulness. Management has been slow to sense that new times require new methods. Lacking the proper perspective, it has often played directly into the hands of labor politicians and been forced in the end to yield much more than if a more reasonable, conciliatory course had been pursued.

We have across the Canadian border a vivid example of the results which attend political exploitation. Government ownership has had perhaps its most complete test in the case of the Canadian National Railways, owned and operated by the Dominion. This system covers a total of 23,888 miles, of which 1,899 miles are in the United States. In it, up to December 31, 1931, the Canadian Government had a total investment, including its guaranties, of \$2,739,954,000, of which \$354,000,000 represented accrued interest and \$42,000,000 short-term advances made by the Ministry of Finance.

When the balance sheet of this great system is examined, total debts are found to exceed total assets by \$365,862,000; while the deficit, including the Government's liabilities on stock guaranties, reaches a total of \$694,655,716. Applying the frequently used rule where maximum fixed obligations are taken at 65 percent of the capital structure, the Canadian National Railways are thus found to be carrying an excess-debt burden of approximately \$1,150,000,000.

Even more striking is the fact that on March 31, 1930, the outstanding bonds of the Government system, including guaranties, represented no less than 71.7 percent of the total Canadian national debt.

Formidable as is this burden already placed on the back of the Canadian taxpayer, he must further assume an annual deficit of approximately \$123,000,000 to \$173,000,000 per year, or from \$212 per minute to \$332 per minute. But what is a mere \$100 per minute between politicians callously accustomed to spending other people's money? Thus we find if the concealed figures are added to those actually published, the railroad's debt doubles not in 18 years but in 11.

Consider the next chapter in political exploitation. Notwithstanding that the Canadian National Railways was losing money at the rate of \$173,000,000 a year and that operating revenues had declined from \$250,000,000 in 1930 to \$200,000,000 for 1931 and then to \$161,000,000 for 1932, further capital expenditures were decided upon. In 1930, a program of improvements was begun, and in that single year \$287,000,000 was spent—almost the entire gross revenue of the railroad. Thus the debt we have seen doubling in 11 years increases its progress to something approaching the

growth in our own Federal debt—it now doubles itself in 8 years, while the loss assessed against the taxpayer rises from \$332 to \$453 per minute. Do we want such a condition in this country?

In 1931 a Royal Commission was appointed to investigate the omnivorous appetite of this white elephant which threatened the insolvency of the Dominion itself. As the true picture became revealed before the commission there arose the cry—which we are now hearing in the United States—"debts and fixed charges must be reduced!" But the commission found that short of actual government repudiation for its own obligations, such a step could not be taken.

Yet the interesting and significant fact which these hearings brought out was that, paralleling this expensive piece of government folly, another railroad, the Canadian Pacific, privately operated, had managed not only to withstand the greatest depression in history, plus political competition on a grand scale, without demands upon the public treasury, but throughout the whole period had actually paid dividends to its shareholders.

Let us not deceive ourselves. Government ownership in the United States today is a near reality. But its realization is likely not as the result of any public mandate approving such a policy. Government ownership is more likely to arrive by the back door instead of the front; through the collapse of private railroad credit brought about by a combination of the influences of depression, a rigid regulatory policy, labor domination, and unregulated competitors, such as I have described, which of themselves may force the taking over of the carriers by the Government.

It may come about because investors will no longer trust the Government's impartiality in maintaining proper balance between railroad income and expense. Speaking as the representative of investors who hold billions of dollars of railroad investments, I make the statement that regulation, judged strictly from the standpoint of its economic consequences, no longer enjoys the confidence among investors it once held.

What then are the steps to be taken which will arrest the steady deterioration of railroad credit, check the drift toward Government ownership, and preserve the railroads as efficient servants to the needs of American business?

The problem divides itself into two phases: The correction of those practices, rooted in the past, largely responsible for the existing condition, and the immediate emergency needs of the carriers. Let us examine first its long-range aspects.

After 2 years' exhaustive research, the Federal Coordinator, Mr. Eastman, has brought forth a comprehensive report on the Nation's transportation needs, together with a series of recommendations for Congressional guidance and action. Mr. Eastman offers three approaches to solution of this transportation enigma.

His first plan, which he favors, proposes regulation of all forms of transportation—railroads, motor carriers, and water carriers—under an enlarged and reorganized Interstate Commerce Commission suitable to such regulation. It also provides for far-reaching operating economies which will result in a reduction of railroad personnel, who are to be compensated with substantial bonuses on dismissal. Provision is likewise made for railroad reorganizations by revising section 77 of the Bankruptcy Act.

Mr. Eastman's second proposal provides for a series of grand consolidations and regional poolings of traffic. This, however, he dismisses as impracticable since, for realization, voluntary cooperation from both management and labor is necessary. Under present conditions, he regards such cooperation as impossible, a view in which I only partially concur.

His third plan is for direct government ownership. While Mr. Eastman has some misgivings as to the wisdom of such a policy because of its inevitable political entanglements, nevertheless he holds it more feasible than grand consolidations since the imposition of the Government's will is easier and simpler than bringing about "voluntary" cooperation. In other words, he views those differences that divide the railroads themselves on the one hand, and which have alienated labor on the other, as being too deep-rooted to admit of any compromise solution.

But it is Mr. Eastman's second proposal, which he dismisses casually, that touches the real heart of the transportation problem. Consolidations are a basic essential, not only from the standpoint of the public and the shipper but for the restoration of railroad credit. Economic students agree upon the necessity for consolidations and for the abandonment of the outworn theory of competition among railroads, and as far back as 1920, Congress directed that such a program be undertaken.

As an alternative to consolidations, Mr. Eastman's proposal for the inclusion of all forms of transportation under regulation becomes his major recommendation. In defining the term "regulation", I differ from prevailing concepts. The negative, restrictive policies pursued in the past must be entirely rescoped. They have been oppressive rather than constructive. Such stimulative research and helpful suggestions as the Coordinator has already made can and should be continued through the newly equipped laboratories of the Association of American Railroads. That association should proceed vigorously and wisely to put into operation the sound recommendations resulting from Mr. Eastman's work. Every effort should be made to change the character of regulation, to make it positive and constructive, and to encourage the revival of initiative among the leaders in American transportation. Mr. Eastman's public service will then have great historical significance. Merely to subject motor-truck operators or water carriers to the kind of policing which the railroads have endured so long would not meet the situation. This Mr. Eastman seeks to avoid.

If we accept this revision of what regulation is to mean, then the real essence of Mr. Eastman's proposal is that all forms of trans-

portation shall be coordinated as parts of a unified cooperative system, in which each shall play its respective part.

The motor-truck industry now requires national attention; its gross revenues are one-third that of the railroads. I submit to you that the railroads, on the one hand, and motor trucks and vessels, on the other, are in reality merely three great complementary arms of service for business. It is essential that they live in harmony with each other, not in perpetual warfare.

No business man would advocate a return to the system of rebates on railroad freight rates for large shippers, which was the basic evil that regulation sought to correct. Yet this evil continues in the trucking business and on the waterways certain shippers receive special rates which are in effect rebates not enjoyed by the average business man. From this has sprung opposition among such beneficiaries to the extension of regulation. They do not wish to surrender the temporary advantages they now enjoy. Yet for these same reasons the more far-sighted among motor-truck and barge operators, as well as shippers, have welcomed the suggestion of supervision, which would place the industry on a solid economic foundation and rid it of the chiselers and price cutters, who bring about financial anarchy and undermine established markets.

In concluding this somewhat discursive survey of transportation needs, let me touch briefly on the immediate financial problems of the railroads. The drift toward insolvency has been under way for many years; the depression merely accelerated its progress. These problems fall into two categories: Those affecting the industry as a whole, which in large part are the result of the restricted traffic and loss of revenues since 1930, and those affecting relatively few railroads, where capital structures require reorganization.

For the industry as a whole the principal factor is undermaintenance of the properties and the gradual deterioration of rolling stock and equipment during the 6 years of depression.

Provision for some temporary financing, as a bridge-over to a restored earning power, would thus seem a necessity. With the present impairment of railroad credit, it would appear that only the Government, through the Reconstruction Finance Corporation, can supply these needs. Precedent exists for such action in the course taken in 1919 when the Government, after war-time operation, relinquished control of the railroads. At that time the Government lent the railroads nearly a billion dollars without collateral, all of which, with the exception of sixteen millions, was subsequently repaid with a profit. Likewise, it may be necessary, through the formation of an equipment corporation, to assist the railroads in rehabilitating their motive power and rolling stock. Here again precedent exists, weaker carriers having been extended aid through such a nationally incorporated loan organization in 1920.

We should all get firmly behind the Eastman proposal for a fair and equitable regulation of all forms of transport.

BENEFITS DERIVED FROM N. R. A. BY SMALL INDUSTRIES

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter from one of my constituents showing the benefits derived from the N. R. A. by the small manufacturers in the State of Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BIERMANN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter of G. H. Galvin, of Iowa, pointing out benefits of N. R. A.:

ROCKFORD BRICK & TILE CO.,
Rockford, Iowa, March 11, 1935.

Congressman FRED BIERMANN,
House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: The cartoon in the morning Register today and a newspaper article a few days ago quoting statements by Senators GLASS and BORAH regarding the N. R. A. and its effect upon small industries prompts me to express my opinion on the subject.

I am chairman of the regional code authority for the structural clay products industries, and our region comprises the States of Iowa, Minnesota, North and South Dakota, Nebraska, and Wisconsin; and I believe that I am expressing the opinion of at least 95 percent of the clay-products manufacturers in this region when I make the statement that the N. R. A. has been far more beneficial than harmful to our industry. The average brick and tile plant reflects an investment of from \$100,000 to \$200,000, so that we should be classed among the smaller industries. When the code went into effect the cost of labor was increased from 20 cents per hour to 37½ cents per hour, and while we do not object to the payment of a fair wage rate to our employees we feel that we are entitled to some protection against unethical cutthroat competition which was so common prior to the adoption of the N. R. A. code. As a matter of fact, our code has served as protection to the small producer against the unethical price competition from the larger producers. When our code went into effect a year ago we absorbed the 89-percent increase in the cost of labor without advancing the price of our clay products, but our 1934 sales netted us 90 cents per ton more than our 1933 sales, and which was sufficient to offset the increased cost of labor. This was due entirely to the fact that prior to the code the large producers were quoting prices for the big contract jobs that were less than their cost of production.

If the labor provisions of the code are to be retained without any protection against cutthroat competition from manufacturers selling below their cost of production, our industry will lead to the chaos that existed in 1933. I am inclined to believe that the present publicity is sponsored by those who wish to wreck the President's program and the N. R. A. code, and they are using the smaller industries only as an excuse, because an appeal of that kind naturally would influence the general public.

Respectfully submitted.

G. H. GALVIN.

COTTON CONTROL ACT

Mr. JONES. Mr. Speaker, I ask unanimous consent that the bill (H. R. 6424) to continue the Cotton Control Act, to exempt a limited quantity of cotton from the tax thereunder, to provide for the better administration of such act, and for other purposes, may be given a privileged status on Monday next, to be taken up immediately after the reading of the Journal; that general debate be limited to 2 hours, one-half to be controlled by myself, and one-half by the gentleman from Kansas [Mr. HOPE].

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand when this bill is taken up the committee will not object to the elimination of section 1 from the bill?

Mr. JONES. That is the general understanding.

Mr. MARTIN of Massachusetts. I have no objection to the request with that understanding, because I believe the rest of the bill is meritorious and ought to pass.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, the Consent Calendar will not come up Monday?

The SPEAKER. Yes; it will come up immediately after the disposition of this bill unless, of course, the House takes some other action.

Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLARD. Mr. Speaker, I renew the request which I made yesterday in reference to the gentleman from New York [Mr. FISH], that he may be permitted to address the House for 15 minutes after the reading of the Journal and disposition of matters on the Speaker's table and following consideration of the bill that has been made the special order for Monday. The gentleman from New York will not be here any other day except Monday of next week.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, the Consent Calendar will come up Monday, and there are many important bills on the calendar. I imagine the gentleman from New York [Mr. FISH] will have plenty of time Tuesday or Wednesday to make his address.

Mr. MILLARD. I may say to the gentleman that he will be here on Monday only of next week.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. ZIONCHECK. Mr. Speaker, I am constrained to object.

COMMITTEE ON ACCOUNTS

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution, which I send to the desk.

The Clerk read the resolution, as follows:

House Resolution 164

Resolved, That JARED Y. SANDERS, JR., of Louisiana, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Accounts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SENATE BILLS AND RESOLUTIONS REFERRED

Bills, a joint resolution, and a concurrent resolution of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 28. An act for the relief of R. B. Miller; to the Committee on Claims.

S. 43. An act for the relief of Lucile A. Abbey; to the Committee on Claims.

S. 148. An act for the relief of the estate of Donnie Wright; to the Committee on Claims.

S. 283. An act for the relief of Beatrice I. Manges; to the Committee on Claims.

S. 365. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller; to the Committee on Claims.

S. 391. An act for the relief of Ralph E. Woolley; to the Committee on Claims.

S. 685. An act for the relief of the Sanford & Brooks Co.; to the Committee on Claims.

S. 712. An act for the relief of A. H. Marshall; to the Committee on Claims.

S. 931. An act for the relief of the Concrete Engineering Co.; to the Committee on Claims.

S. 1079. An act authorizing the Secretary of the Treasury to execute a certain indemnity agreement; to the Committee on Claims.

S. 1850. An act to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever", approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act; to the Committee on Military Affairs.

S. 1860. An act for the relief of the Tampa Marine Co.; to the Committee on Claims.

S. 1863. An act for the relief of Trifune Korac; to the Committee on Claims.

S. 1940. An act to fix the value of subsistence and rental allowance under the Pay Readjustment Act of June 10, 1922; to the Committee on Military Affairs.

S. J. Res. 65. Joint resolution to extend the period of suspension of the limitation governing the filing of suit under section 19, World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

S. Con. Res. 12. Concurrent resolution directing the Federal Trade Commission to investigate the propaganda regarding Federal legislation on the subject of holding companies; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5221. An act to amend the Agricultural Adjustment Act with respect to rice, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 426. An act for the relief of Jacob Santavy;

H. R. 593. An act for the relief of Fred C. Blenkner; and

H. R. 3266. An act authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p. m.), pursuant to the order heretofore made, the House adjourned until Monday, March 18, 1935, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS
(Wednesday, Mar. 20, 10 a. m.)

Subcommittee No. 10 will hold hearings on the bill (H. R. 4876) to fix the hours of duty of railway postal clerks.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

269. A letter from the Secretary of War, transmitting a draft of proposed legislation to authorize an appropriation of not to exceed \$1,000,000 for the necessary housing for office and residence purposes for the establishment of the United States High Commissioner to the Commonwealth of the Philippine Islands; to the Committee on Insular Affairs.

270. A letter from the Chairman and Secretary of the Reconstruction Finance Corporation, transmitting report of operations for the fourth quarter of 1934, and for the period from the organization of the Corporation on February 2, 1932, to December 31, 1934, inclusive (H. Doc. No. 139); to the Committee on Banking and Currency and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 5382. A bill to provide for advancement by selection in the Staff Corps of the Navy to the ranks of lieutenant commander and lieutenant; to amend the act entitled "An act to provide for the equalization of promotion of officers of the Staff Corps of the Navy with officers of the line" (44 Stat. 717; U. S. C., Supp. VII, title 34, secs. 348 to 348t), and for other purposes; without amendment (Rept. No. 417). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Labor. H. R. 2827. A bill to provide for the establishment of unemployment, old-age, and social insurance, and for other purposes; without amendment (Rept. No. 418). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. FADDIS: Committee on Military Affairs. H. R. 3109. A bill for the relief of Herman W. Bense; with amendment (Rept. No. 419). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolution were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 6764) authorizing the Secretary of the Treasury of the United States to accept on behalf of the United States the residuary estate of the late Justice Oliver Wendell Holmes; to the Committee on Ways and Means.

By Mr. MORITZ: A bill (H. R. 6765) to relieve the present distress of home owners and to prevent foreclosures and to declare a temporary moratorium by providing a loan of \$300 to a mortgagor, which sum must be paid to the mortgagee for interest due, or which may be due in the future; to the Committee on Banking and Currency.

By Mr. TOLAN: A bill (H. R. 6766) to establish and maintain a United States Shipping Board Fleet Reserve vessel at Wake Island and Midway Island, respectively; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 6767) to provide for the removal of coral reefs obstructing the safe entry and harboring of vessels at Wake and Midway Islands; to the Committee on Rivers and Harbors.

By Mr. COCHRAN: A bill (H. R. 6768) to authorize the Secretary of War to lend War Department equipment for

use at the Seventeenth National Convention of the American Legion at St. Louis, Mo., during the month of September 1935; to the Committee on Military Affairs.

By Mr. HOEPEL: A bill (H. R. 6769) to grant the benefits of veterans' legislation to maimed, blind, or helpless retired personnel of the Army, Navy, Marine Corps, and Coast Guard, in the furnishing of artificial appliances and allowances for attendants; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 6770) to provide for the registration of lobbyists, and for other purposes; to the Committee on the Judiciary.

By Mr. WERNER: A bill (H. R. 6771) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); to the Committee on Indian Affairs.

By Mr. JONES: A bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes; to the Committee on Agriculture.

By Mr. PIERCE: A bill (H. R. 6773) to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. McSWAIN: A bill (H. R. 6774) to amend the Tennessee Valley Authority Act of 1933 by including the Cumberland River and its basin within the provisions of the act, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 6775) to protect the insurance of World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. PIERCE: A bill (H. R. 6776) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended; to the Committee on Agriculture.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6777) to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); to the Committee on Indian Affairs.

By Mr. KINZER: A bill (H. R. 6778) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mr. GILLETTE: A bill (H. R. 6779) to amend section 4747 of the Revised Statutes to provide for the exemption of certain pensions from taxation; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 6780) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. GILLETTE: Resolution (H. Res. 161) for the consideration of S. 1384; to the Committee on Rules.

By Mr. CONNERY: Resolution (H. Res. 162) providing for the consideration of H. R. 6450, a bill to accord labor proper opportunity for protection of rights granted by the Congress, and for other purposes; to the Committee on Rules.

By Mr. LUNDEEN: Resolution (H. Res. 163) to amend section 4 of House rule XXVII, Seventy-fourth Congress; to the Committee on Rules.

By Mr. BUCKLER of Minnesota: A bill (H. J. Res. 217) to provide for the determination and payment of claims for damage sustained by the fluctuation of the water levels of Lake of the Woods in certain cases, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CANNON of Wisconsin: Concurrent resolution (H. Con. Res. 18) barring the public from the galleries of the Senate and the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY: A bill (H. R. 6781) for the relief of LeRoy D. Lemley; to the Committee on Claims.

By Mr. GRANFIELD: A bill (H. R. 6782) for the relief of Thomas W. Dolan; to the Committee on Military Affairs.

By Mr. GRAY of Pennsylvania: A bill (H. R. 6783) granting a pension to Genevieve Rochester; to the Committee on Pensions.

By Mr. HOEPEL: A bill (H. R. 6784) authorizing the President of the United States to appoint Warrant Officer Albert A. Fensch (retired) as a captain in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 6785) granting a pension to Henrietta L. Humphrey; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 6786) granting an increase of pension to Martha Ferguson; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 6787) granting a pension to Henry F. Krusell; to the Committee on Pensions.

By Mr. MERRITT of Connecticut: A bill (H. R. 6788) for the relief of Stephan Sowinski; to the Committee on Military Affairs.

By Mr. O'CONNELL: A bill (H. R. 6789) for the relief of Joseph Henry Smith; to the Committee on Naval Affairs.

By Mr. PIERCE: A bill (H. R. 6790) for the relief of Chief George Red Hawk and Gilbert E. Conner, Indians of the Umatilla Reservation, Oreg.; to the Committee on Indian Affairs.

By Mr. SANDERS of Louisiana: A bill (H. R. 6791) granting an increase of pension to Abbie M. Stout; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 6792) for the relief of Mary B. Hines; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4015. By Mr. BACON: Petition of the Holy Name Society of St. Matthias Roman Catholic Church, Ridgewood, Brooklyn, N. Y., protesting against conditions of oppression in Mexico; to the Committee on Foreign Affairs.

4016. Also, petition of Group No. 859, Polish National Alliance, Mineola, N. Y., urging establishment of October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

4017. By Mr. BUCKLER of Minnesota: Petition of Mrs. Boyd K. Wassmann, of Roosevelt, unit secretary in behalf of the members of the Roosevelt (Minn.) Ladies' Auxiliary Unit of the American Legion Post, No. 371, Department of Minnesota, praying for the passage of the Vinson bill (H. R. 3896), to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

4018. Also, petition of Eva E. Brevik, president of the Twin Valley (Minn.) unit of the Ladies' Auxiliary to the George Neseth Legion Post, No. 431, Department of Minnesota, in behalf of the members, praying for the passage of the Vinson bill (H. R. 3896), to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

4019. Also, petition of O. W. Leubberman, president of the Village Council of Vergas, Minn., and A. H. Dey, village clerk, urging immediate passage of the \$4,800,000,000 act for public-works reemployment and conservation activities; to the Committee on Ways and Means.

4020. By Mr. COLDEN: Petition containing the names of 41 residents of Los Angeles, Calif., and vicinity, asking that the Congress pass immediately legislation establishing an inventors' loan fund, for the benefit of inventors who are not financially able to have their inventions patented; holding that business will be aided by new devices and employment will be provided to the idle; to the Committee on Banking and Currency.

4021. By Mr. CRAWFORD: Petition of approximately 120 residents of Saginaw and Shiawassee Counties of Michigan,

urging the enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

4022. Also, petition of certain residents of Alma, Mich., favoring the enactment of the McGroarty old-age pension bill; to the Committee on Ways and Means.

4023. Also, petition of over 150 farmers of Montcalm County, Mich., favoring the passage of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

4024. Also, petition of Group No. 2377 of National Polish Alliance of the Saginaw (Mich.) Chapter, requesting enactment of legislation for the observance of Gen. Pulaski's Memorial Day, October 11; to the Committee on the Judiciary.

4025. Also, petition of a number of poultrymen of Shiawassee County, Mich., favoring the Lea bill (H. R. 5802); to the Committee on Ways and Means.

4026. By Mr. DARROW: Resolution of the Philadelphia Board of Trade, opposing the use by the Federal Government of corporations incorporated under the laws of the several States, to carry out Federal purposes in competition with private enterprises, and urging that such corporations as were organized since March 4, 1933, shall be liquidated within 90 days; to the Committee on Appropriations.

4027. By Mr. FITZPATRICK: Petition of the Architectural and Engineering Alliance of Westchester County, endorsing the highway amendment to the Federal emergency relief bill of 1935; to the Committee on Appropriations.

4028. Also, petition of the Melrose Council, No. 313, C. B. L., protesting against the persecution and suppression of the Catholics in Mexico; to the Committee on Foreign Affairs.

4029. By Mr. FORD of California: Petition of the City Council of Los Angeles to the Congress of the United States, requesting favorable consideration to the bill now before it which will allow for the immediate creation of a national civil academy to train young men and women for careers in public service; to the Committee on Education.

4030. By Mr. HIGGINS of Connecticut: Resolutions of Group No. 1691, Polish National Alliance of the United States of North America, Moosup, Conn., favoring making October 11 General Pulaski's Memorial Day; to the Committee on the Judiciary.

4031. By Mr. LESINSKI: Resolution of Group No. 2297, Polish National Alliance of the United States of America, St. Charles, Mich., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

4032. Also, House Resolution No. 28 of the Michigan House of Representatives, memorializing the Congress of the United States to pass, and the Honorable Franklin D. Roosevelt to approve, an appropriation of sufficient moneys to build a Veterans' Administration Hospital in Michigan of 500-bed capacity; to the Committee on World War Veterans' Legislation.

4033. Also, resolution of International Workers Order, Branch No. 3536, of Cleveland, Ohio, urging the support of House bill 2827, providing for unemployment insurance; to the Committee on Labor.

4034. Also, resolution of the Michigan Railroad Employees and Citizens League, urging the enactment of House bill 5262 and Senate bill 1629, to regulate interstate motor-transportation interests; to the Committee on Interstate and Foreign Commerce.

4035. Also, resolution of the United States Racial Groups of America, urging old-age pension be approved, passed, and enacted by the Congress of the United States and be made applicable to noncitizens, as well as citizens, providing that such noncitizens be residents of the United States for not less than 10 years prior to the passage of such legislation; to the Committee on Ways and Means.

4036. Also, resolution of Wyandotte Council of Clubs, of Wyandotte, Mich., memorializing Congress of the United States to enact House Joint Resolutions 65 and 81 and Sen-

ate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year General Pulaski's Memorial Day; to the Committee on the Judiciary.

4037. Also, resolution of Polish-American Citizens' Club of Wyandotte, Mich., memorializing Congress of the United States to enact House Joint Resolutions 65 and 81 and Senate Joint Resolution 11, directing the President to proclaim October 11 of each year General Pulaski's Memorial Day; to the Committee on the Judiciary.

4038. By Mr. MERRITT of Connecticut: Petition of sundry citizens of Greenwich, in the State of Connecticut, protesting against the passage of the public-utility bill (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

4039. By Mr. MURDOCK: Resolutions of the Order of Benefit Association of Railway Employees, Ogden Division, No. 209, Ogden, Utah, urging the enactment of House bill 8100, providing for the modification of the fourth section of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

4040. By Mr. PFEIFER: Petition of the Civil Service Forum, Brooklyn Boro Council, No. 151, bureau of highways per diem employees, Brooklyn, N. Y., concerning Senate bills 1452 and 1453 and House bills 4886 and 4887; to the Committee on the Judiciary.

4041. Also, petition of the Brooklyn Edison Local, No. 102, Brotherhood of Utility Employees of America, Brooklyn, N. Y., urging support of the Stack bill (H. R. 5445); to the Committee on the Post Offices and Post Roads.

4042. Also, petition of the World Trade League of the United States, New York, concerning reciprocal trade agreements in order that conditions may improve everywhere; to the Committee on Foreign Affairs.

4043. Also, petition of Strohmeier & Arpe Co., importers and commission merchants, New York, concerning House bill 72; to the Committee on Ways and Means.

4044. Also, telegram of the New York State Horticultural Society and the horticultural societies of Pennsylvania, Virginia, Maryland, and West Virginia, concerning proposed amendments to the Agricultural Adjustment Administration laws as contained in House bill 5585 and Senate bill 1807; to the Committee on Agriculture.

4045. By Mr. ROGERS of Oklahoma: Petition of R. P. Brown and numerous other citizens of Broken Bow, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4046. Also, petition of G. W. Chambers and numerous other citizens of Neosho, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4047. Also, petition of Ollie Sypole and numerous other citizens of Albright, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4048. Also, petition of D. L. Galloher and numerous other citizens of Waynesboro, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4049. Also, petition of W. C. Echols and numerous other citizens of Columbia, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4050. Also, petition of Chester Stanton and numerous other citizens of Albright, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4051. Also, petition of Guss Martin and numerous other citizens of Oakdale, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4052. Also, petition of E. P. Hall and numerous other citizens of Castleberry, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4053. Also, petition of Tom Burnham and numerous other citizens of Brewton, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4054. Also, petition of Solomon Younger and numerous other citizens of Belzoni, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4055. Also, petition of Robert Biley and numerous other citizens of Silver City, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4056. Also, petition of John Carter and numerous other citizens of Isola, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4057. Also, petition of A. J. Jett and numerous other citizens of Masonville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4058. Also, petition of George Heard and numerous other citizens of Altheimer, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4059. Also, petition of J. C. Wood and numerous other citizens of Coushatta, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4060. Also, petition of Allen Barr and numerous other citizens of Armistead, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4061. Also, petition of Henry Burton and numerous other citizens of Harmon, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4062. Also, petition of I. L. Catt and numerous other citizens of Monticello, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4063. Also, petition of Enoch Case and numerous other citizens of Bogue Chitto, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4064. Also, petition of Rev. A. D. Varnado and numerous other citizens of Allen, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4065. Also, petition of Anderson Case and numerous other citizens of Wesson, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4066. Also, petition of Joe Allen and numerous other citizens of Brookhaven, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4067. Also, petition of Frank Arnold and numerous other citizens of Erin, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4068. Also, petition of A. Smith and numerous other citizens of Cumberland City, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4069. Also, petition of B. S. Ashworth and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4070. Also, petition of M. K. Sykes and numerous other citizens of Broken Bow Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4071. Also, petition of Steve Earl and numerous other citizens of Gonzales, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4072. Also, petition of Raphial Smith and numerous other citizens of Gonzales, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4073. Also, petition of J. R. Paschall and numerous other citizens of Neosho, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4074. Also, petition of J. C. Carr and numerous other citizens of Waynesboro, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4075. Also, petitions of Rogers Williams and numerous other citizens of Gonzales, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4076. Also, petition of Jurden Richard and numerous other citizens of Broken Bow, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4077. Also, petition of W. Lewis and numerous other citizens of Minden, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4078. Also, petition of James Hunter and numerous other citizens of Arcola, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4079. Also, petition of L. Winchester and numerous other citizens of Wayside, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4080. Also, petition of L. Sutton and numerous other citizens of Atlanta, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4081. Also, petition of M. Washington and numerous other citizens of Douglassville, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

eral old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4082. Also, petition of L. D. Blizzard and numerous other citizens of Linden, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4083. Also, petition of Vernon Simmons and numerous other citizens of Bivins, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4084. Also, petition of S. Higgins and numerous other citizens of Cumming, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4085. Also, petition of W. B. Skinner and numerous other citizens of Gainesville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4086. Also, petition of Charles Lee Smith and numerous other citizens of Corpus Christi, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4087. Also, petition of Frank Anders, Jr., and numerous other citizens of Shiner, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4088. Also, petition of Alfred Eason and numerous other citizens of Gonzales, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4089. Also, petition of W. Tucker and numerous other citizens of Lewisville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4090. Also, petition of A. Batton and numerous other citizens of Minden, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4091. Also, petition of T. J. Gaddie and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4092. Also, petition of S. B. Matthews and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4093. Also, petition of E. Whitaker and numerous other citizens of Crystal Springs, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4094. Also, petition of O. Dabney and numerous other citizens of Crystal Springs, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4095. Also, petition of H. Finley and numerous other citizens of Crystal Springs, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions, \$30 to \$50 a month; to the Committee on Ways and Means.

4096. Also, petition of M. Ferguson and numerous other citizens of Sycamore, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4097. Also, petition of Fletcher Folks and numerous other citizens of Sycamore, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4098. Also, petition of George Huffman and numerous other citizens of Light, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4099. Also, petition of E. E. Miller and numerous other citizens of Light, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4100. Also, petition of M. Phillips and numerous other citizens of Mayfield, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4101. Also, petition of Charles Bryant and numerous other citizens of Mayfield, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4102. Also, petition of Joseph Harlem and numerous other citizens of Mayfield, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4103. Also, petition of Walter Pugh and numerous other citizens of Coffeeville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4104. Also, petition of E. L. James and numerous other citizens of Coffeeville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4105. Also, petition of J. H. Pelham and numerous other citizens of Coffeeville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4106. Also, petition of Lester Acuff and numerous other citizens of Washburn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4107. Also, petition of W. S. Rush and numerous other citizens of Washburn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4108. Also, petition of J. H. Miracle and numerous other citizens of Washburn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4109. Also, petition of A. J. Bean and numerous other citizens of Metcalfe, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4110. Also, petition of M. Smith and numerous other citizens of Eldorado, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4111. Also, petition of R. Randell and numerous other citizens of Greenville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4112. Also, petition of J. D. Davis and numerous other citizens of Leland, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4113. Also, petition of T. L. Collier and numerous other citizens of Gainesville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4114. Also, petition of L. McGlothlin and numerous other citizens of Lewisville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4115. Also, petition of L. P. Lee and numerous other citizens of Minden, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4116. Also, petition of W. G. Wade and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4117. Also, petition of A. L. Quinn and numerous other citizens of Caruthersville, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4118. Also, petition of Rev. J. L. Cox and numerous other citizens of Caruthersville, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4119. Also, petition of S. Gillis and numerous other citizens of Caruthersville, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4120. Also, petition of B. Ford and numerous other citizens of Pushmataha, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4121. Also, petition of Edgar Williams and numerous other citizens of Riderwood, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4122. Also, petition of A. G. Moss and numerous other citizens of Yantley, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4123. Also, petition of H. A. Edwards and numerous other citizens of Tenso, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4124. Also, petition of K. Ryans and numerous other citizens of Newark, N. J., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4125. Also, petition of John White and numerous other citizens of Newark, N. J., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4126. Also, petition of L. Davis and numerous other citizens of Newark, N. J., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4127. Also, petition of William Dent and numerous other citizens of Ben Wheeler, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4128. Also, petition of J. A. Balckerby and numerous other citizens of Overton, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4129. Also, petition of L. T. Dodson and numerous other citizens of Athens, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4130. Also, petition of S. Cunningham and numerous other citizens of Buntyn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4131. Also, petition of Allen Owens and numerous other citizens of Buntyn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4132. Also, petition of M. Price and numerous other citizens of Buntyn, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4133. Also, petition of H. Jackson and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4134. Also, petition of Cedric Watkins and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4135. Also, petition of W. S. Roberson and numerous other citizens of Coila, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4136. Also, petition of N. Davis and numerous other citizens of Doddsville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4137. Also, petition of M. P. Roberson and numerous other citizens of Inverness, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4138. Also, petition of J. Wright and numerous other citizens of Swiftown, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4139. Also, petition of C. C. Randall and numerous other citizens of Lucedale, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4140. Also, petition of L. F. Easley and numerous other citizens of Lucedale, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4141. Also, petition of S. S. Travick and numerous other citizens of Lucedale, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

4142. By Mr. SHANLEY: Petition of Bridgeport Council of Catholic Women, 271 Iranistan Avenue, Bridgeport, Conn., Claire E. Cook, corresponding secretary; to the Committee on Foreign Affairs.

4143. By Mr. THOMASON: Petition of residents of Midland County, Tex., opposing the bill regulating and eventually eliminating holding companies; to the Committee on Interstate and Foreign Commerce.

4144. By Mr. TRUAX: Helen Roth and other citizens of Columbus, Ohio, stating that they will be seriously harmed if the Rayburn-Wheeler bills become a law, as they believe them to be unfair, unwise, unnecessary, and discriminatory; to the Committee on Interstate and Foreign Commerce.

4145. Also, petition of 4,500 Lithuanians of Cleveland, by the secretary of the United Front Action Committee, J. Kubilus, urging support of Lundeen bill (H. R. 2827); to the Committee on Labor.

4146. Also, petition of the Townsend Club of Clyde, Ohio, with its 150 active members, by their secretary, J. W. Hefinger, urging the enactment into law of the McGroarty bill, paying each citizen over 60 years of age \$200 per month, as they believe the proposed bill will create buying power, establish a system of circulating money freely and regularly, and remove millions of old men and women from positions that would immediately be filled by younger people now unemployed; to the Committee on Ways and Means.

4147. Also, petition of Grace E. Maer and other citizens of Columbus, Ohio, opposing the Rayburn-Wheeler bills (H. R. 5423 and S. 1725), as they believe them to be unfair, unwise, unnecessary, and discriminatory; to the Committee on Interstate and Foreign Commerce.

4148. By Mr. WEAVER: Petition of various citizens of Henderson County, N. C., advocating the passage of the Townsend old-age-pension plan; to the Committee on Ways and Means.

4149. By Mr. CULKIN: Petition of 11 residents of Madison County, N. Y., protesting against House bill 5423 and Senate bill 1725; to the Committee on Ways and Means.

4150. By Mr. RANDOLPH: Petition of residents of the Second Congressional District of West Virginia, in behalf of old-age pensions; to the Committee on Labor.

SENATE

SATURDAY, MARCH 16, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Friday, March 15, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Glass	McKellar
Ashurst	Carey	Gore	McNary
Austin	Clark	Hale	Maloney
Bachman	Connally	Harrison	Metcalf
Bailey	Coolidge	Hastings	Murphy
Bankhead	Copeland	Hatch	Murray
Barbour	Costigan	Hayden	Neely
Barkley	Couzens	Johnson	Norbeck
Bilbo	Cutting	Keyes	Norris
Black	Dickinson	King	Nye
Bone	Dieterich	La Follette	Pittman
Borah	Donahey	Lewis	Pope
Brown	Fletcher	Logan	Radcliffe
Bulkley	Frazier	Lonergan	Reynolds
Bulow	George	McAdoo	Robinson
Byrd	Gerry	McCarran	Russell
Byrnes	Gibson	McGill	Schall